

W A S H I N G T O N
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EDUCATION
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BOARD MEETING AGENDA

*Western Washington University
Old Main 340
516 High Street, Bellingham 98225
March 30, 2006*

8:00 **Breakfast (Work Session) – Solarium, Old Main**
Informal discussion based upon committee meetings and other events

10:00 **Welcome and Introductions**

- Gene Colin, HECB Chair
- Dr. Karen Morse, President, Western Washington University

Approval of the Feb. 23, 2006 Meeting Minutes

1

Consent Items

New Degree Program Approval: Ph.D. in Public Policy and Management

2

The University of Washington seeks Higher Education Coordinating Board approval to offer a doctoral degree in Public Policy and Management at the main campus in Seattle.

Resolution 06-07

Amending the HECB Bylaws

3

Proposed changes to board bylaws, as recommended by the Executive Committee, were presented to the board for information and discussion during its meeting in February.

Resolution 06-08

10:15 **Report of the Executive Director**

Executive Director Jim Sulton will report on the status of various agency programs and activities.

“Turning Promise into Practice” - a presentation by the League of Education Voters Foundation

The League of Education Voters Foundation (LEVf) is an organization dedicated to making Washington’s pre-schools, public schools, and colleges the best in the nation. LEVf President Lisa MacFarlane will present “*Turning Promise into Practice*,” a report that highlights successful approaches, including strong leadership, better data systems, strategic new investments, and committed citizens to guarantee a top-notch education for every single Washington student.

Status Report on Program and Facility Approval

4

From December 2005 to February 2006, two program changes and planning activities were approved.

11:15 Executive Committee

Gene Colin, HECB chair

HECB Legislative Issues -- 2006 Status Report

Staff will present a summary of the 2006 legislative session, highlighting higher-education-related bills that passed.

5

12:00 The board will recess for lunch.
(Solarium, Old Main- no official business)

1:00 Education Committee

Sam Smith, chair

The Role of Independent Colleges in Washington's Higher Education System

Washington rightfully prides itself on the wide range of institutions that comprise its statewide system of higher education. Violet Boyer, president & CEO of the Independent Colleges of Washington (ICW) will make a brief presentation to the board on the contributions of private colleges and universities to students, parents and families throughout the state.

1:30 **Proposal for Revisions to Current Accountability Framework**

The HECB is charged by law with establishing an accountability monitoring and reporting system. HECB staff will be joined by Office of Financial Management staff in presenting a proposed accountability framework intended to replace both the existing framework adopted by the HECB in 2005, and the accountability provisions included in the 2005-07 operating budget. This proposal for a revised framework was developed in collaboration with four-year institutions and the State Board for Community and Technical Colleges, and will be an action item at the May meeting.

6

2:00 Fiscal Committee

Mike Worthy, chair

2006 Supplemental Operating and Capital Budget as passed the legislature

Higher education supplemental operating and capital budgets passed by the legislature will be reviewed.

7

2:30 Financial Aid Committee

Jesus Hernandez, chair

Proposed Changes to State Rules – State Need Grant and State Work Study Programs

Board staff are proposing amendments to state rules for the State Need Grant and State Work Study programs to reflect recent changes in state law. A public hearing on the proposed rule changes is scheduled for May 23 at the HECB office. The board will be asked to consider adoption of the new rules at the July 27 board meeting.

8

Public Comment

3:00 Adjournment

*Public Comment: A sign-in sheet is provided for public comment on any of the items presented above.
Meeting Accommodation: Persons who require special accommodation for attendance must call the HECB at 360.753.7800 as soon as possible before the meeting.*

HECB 2006 Meeting Calendar

Regular Board Meeting	Advisory Council Meeting	Location
February 16-17 Board Retreat		Seatac Hilton
February 23, Thursday 9:00 – 4:00		Everett Community College Jackson Center Auditorium 2000 Tower St, Everett
March 30, Thursday 10:00 – 3:00		Western Washington University Old Main 340 516 High St, Bellingham
	April 20, Thursday 10:00 – 2:00	Highline Community College Student Union Bldg (#8), Mt. Skokomish 2400 S 240 th , Des Moines
May 25, Thursday 10:00 – 3:00		Whitman College Reid Campus Center, Ballroom B 345 Boyer Avenue, Walla Walla
	June 22, Thursday 10:00 – 2:00	Pierce College, Puyallup College Center Bldg., Multi-Purpose Rm 1601 39 th Ave SE, Puyallup
July 27, Thursday 10:00 – 3:00		Grays Harbor Community College Building 200, Room 220 1620 Edward P. Smith Drive, Aberdeen
	August 24, Thursday 10:00 – 2:00	Tacoma Community College Senate Room, Opgaard Student Center 6501 S. 19 th , Tacoma
September 28, Thursday 8:00 – 5:00		State Investment Board Board Room 2700 Evergreen Parkway NW, Olympia
October 26, Thursday 10:00 – 3:00		Yakima Valley Community College Deccio Higher Education Ctr, Parker Room 16 th Avenue & Nob Hill Blvd, Yakima
	November 16, Thursday 10:00 – 2:00	Highline Community College Student Union Bldg (#8), Mt. Skokomish 2400 S 240 th , Des Moines
December 14, Thursday 10:00 – 3:00		University of Washington Walker Ames Room Seattle

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March 2006

Minutes of February 23 meeting - Draft

HECB Members Present

Mr. Gene Colin, chair
Mr. Bill Grinstein, vice chair
Mr. Jesus Hernandez, secretary
Mr. Lance Kissler
Sen. Betti Sheldon
Dr. Sam Smith

Welcome

Chairman Gene Colin opened the meeting by inviting attendees to introduce themselves. He thanked interim Everett Community College President Michael Kerns for hosting the meeting, and asked him to say a few words.

Kerns provided a brief history of the Everett campus and described the 13-acre expansion project currently underway. He expressed appreciation for the HECB's role in working toward a seamless education system and its leadership regarding the NSIS study. Administrative oversight for the consortium of eight colleges and universities has been transferred to Everett Community College.

January meeting minutes approved

Action: **Bill Grinstein** moved to approve the minutes of the board's January 26th meeting; **Jesus Hernandez** seconded the motion. The minutes were unanimously approved.

Board retreat

Colin discussed the board's recent two-day retreat, explaining that members looked at the board's mission, purpose and development plans. One of the outcomes from the retreat was an affirmation of the board's mission to serve the state's students, institutions and citizens. "We are here to help you," Colin told the audience. "Take that as a promise."

Amendments to board bylaws

Deputy Director Joann Wiszmann summarized the proposed technical changes to the board's bylaws, as recommended by the Executive Committee:

- Yearly election of officers (chair, vice chair, and secretary)
- Officers' terms are limited to two consecutive one-year terms
- Meeting minutes are subject to prior approval of the board secretary
- The HECB executive director is a non-voting, ex-officio member

The board will vote on the amended bylaws at its meeting in March. Colin assured the members that further comments or suggestions will be considered prior to the March meeting.

HECB Legislative Issues: 2006 Status Report

Chris Thompson, director of governmental, college and university relations, joined Wiszmann in providing a status report on higher education issues being considered by the 2006 legislature.

- Board appointments -- Jesus Hernandez has been confirmed, and the confirmation hearing for Sam Smith has been scheduled. Confirmations for Bill Grinstein, Ethelda Burke, and Lance Kissler are in progress.

Some of the bills introduced during the session that continue to make progress are as follows:

- Regional development -- The House and the Senate have introduced legislation (SHB 2867 and SSB 6464) that would allow WSU Tri-Cities to admit freshmen and sophomores, paving the way for the branch campus to develop into a four-year university. The House bill would require WSU Tri-Cities to submit to the legislature and the HECB a plan that addresses the need for new degree programs in the area. The HECB is recommending an amendment to the Senate bill calling for adoption of a similar plan.
- SHB 3113 would use the university center model to allow expansion of upper division and graduate enrollments for students in Snohomish, Island, and Skagit counties. Everett Community College would provide administrative oversight of this project.

Colin cited the HECB's partnership in the higher education development of the Tri-Cities area as an excellent example of good stewardship, with the board and staff serving as a resource for the institutions and the community. He said the board would like to build on this kind of

collegiality, and expressed hope that the HECB would be invited to participate and lend its expertise early in the development of other, similar projects.

A discussion followed among board, staff, and institutional representatives from the state's public and private colleges and universities regarding several variations of university centers, consortia, two-plus-two arrangements, and other models involving partnerships between and among colleges, universities (both private and public) and the community. The discussion touched on issues of accountability, accreditation, funding arrangements, program offerings, degree conferrals and pilot programs. Smith said models that fit the specific needs of the community are more successful and should be encouraged.

- Tuition waivers – SHB 1986 directs the HECB to study current tuition waiver programs and make recommendations for legislative consideration in 2007. Two bills addressing waivers for veterans are moving through the process.
- Financial aid legislation – Several bills that would either expand existing programs or create new financial aid programs continue to progress through the session, including ESSHB 2630, which calls for creation of a new credential for job training in high-demand fields. The bill also directs the State Board for Community and Technical Colleges (SBCTC) to develop opportunity grants and the Workforce Training and Education Coordinating Board (WTECB) to study barriers to job-training access and completion.
- Technology priorities – SHB 2817 would expand student access to programs in specific high-demand areas. The HECB would report annually on the progress of enrollments, degrees conferred, and program expansion. SSB 6697 is similar, but would require biennial reporting. The HECB has asked for specific language that would direct institutions to report to the HECB and the legislature; identifying student demand and alternatives for meeting that demand.

Jesus Hernandez asked if there are efforts to focus on the quality of instruction in high-demand areas, and whether there are enough resources to continue the professional development of teachers in those areas.

Thompson stated that the governor's office and the institutions have raised the same concern in the course of accountability discussions. Hernandez remarked that rather than a punitive approach, he was thinking of opportunities to enhance high-demand programs by investing more heavily in teacher development. He suggested that the board can show leadership in this area. Sulton said that there are ongoing efforts from the colleges of education to address quality issues and that he would provide this information to Hernandez. Wiszmann added that the accreditation process and the HECB's program review process are two measures already in place that address quality in higher education, but agreed with Hernandez that the state's role appears fragmented.

- False academic credentials – The Senate version of the bill is dead; however, the House bill is proceeding. The bill seeks to impose civil and criminal penalties on institutions and individuals who use a false credential for personal or business benefit.
- Cost of materials – SHB 3087 and SB 6699 would encourage institutions to help students save money by reducing the cost of textbooks and other course materials.
- Rigorous high school curriculum – SHB 2706 would require high school students entering 9th grade to take three credits of math, later raising the requirement to four credits of math. The bill also contains provisions on the types of math that would be required.

The K-12 community has raised concerns regarding the problem of finding and training enough math teachers and the additional work that would be required to implement this change while schools are already doing all they can on WASL remediation. Some have also suggested that the effort should be put on hold until competency measures are in place.

The board discussed Carnegie units and competencies, the role of accreditation boards, and the new federal commission on higher education that is charged with looking at competencies.

- College and career readiness centers -- SHB 3241 would require the State Board of Education (SBE) to define the knowledge and skills that students must demonstrate in order to earn a high school diploma.

Grinstein asked if other partners were being considered in this effort -- the Office of the Superintendent for Public Instruction (OSPI) for one, and the HECB, which is charged with defining minimum college admission standards. Thompson said he did not know whether such discussions were underway; however, he reminded the board that the SBE is responsible for defining high school graduation requirements.

Sulton said numerous studies have shown that a rigorous high school curriculum is needed in order to better prepare students for college. He suggested that rather than focusing on Carnegie units or competencies, WASLs, graduation requirements and college admission standards, the real issue for the state is adequately preparing students for college by providing a more rigorous curriculum in high school.

Report of the Executive Director

Internet2 and Beyond – Will Washington State be a Competitor or a Spectator?

Sulton introduced Dr. Louis Fox, University of Washington vice provost for partnerships and learning technologies, to discuss the next generation of technology known as “Internet2.”

Internet2 technology is thousands of times faster than today’s Internet, and enables users – including students in a variety of settings – to receive streaming real-time audio and video and to

interact with instructors. Fox is leading a national initiative to put the new technology into the hands of innovators across all educational sectors in the United States. Known as the “Internet2 K-20 Initiative,” the project is bringing together about 200 research institutions with primary and secondary schools, colleges and universities, libraries, and museums.

Fox demonstrated how changes in the Internet are expected to fundamentally transform both instruction and research in American higher education. He showed how students from different sites all over the globe are able to link in real time through Internet2 and exchange information with one keystroke.

Fox also discussed ongoing efforts in the western U.S. to create research partnerships by merging two big networks (Lariat and Terralink) that are linked to a global infrastructure. Lariat connects research institutions in Montana, Idaho, Alaska, Wyoming and Hawaii with the global network, with a focus on enhancing biomedical science and research. The next phase of Lariat will be to connect minority-serving institutions in the west to this infrastructure. Terralink is an effort led by the Pacific Northwest National Laboratory (PNNL) that connects PNNL to Seattle and Spokane, the Idaho National Laboratory, Boise and Montana State Universities, and the University of Montana.

What does this mean for higher education?

Fox said Washington State is well set technologically. Our infrastructure, called the Pacific Northwest Gigapop (PNG), is a broadband aggregator for research and education in the region, connecting all of our research institutions, the K-20 network, key research facilities at Microsoft and Boeing, the Fred Hutchinson Cancer Research Center, and many others -- including international networks. PNG is also the key connector in the northwest region for Alaska, Idaho and Montana.

However, Fox indicated that Washington State has not kept pace with changes in technology because the way the state approaches education has changed very little in the intervening years. While the state has moved from a resource-extraction economy to a manufacturing economy to an economy that is basically focused on intellectual products such as software, hardware, and biotechnology, efforts to increase the number of technology-related degrees have not followed suit. Most national and regional studies conclude that $\frac{3}{4}$ of the jobs in the software industry require at least a bachelor’s degree. Washington ranks quite high in the number of people that we employ in these fields; however, in terms of the number of bachelor’s degrees granted, we rank 35th nationally. In terms of the percentage of science and engineering graduates, we rank 38th and 42nd, respectively. At the same time, we are graduating huge numbers of students in our community colleges.

In summary, Fox said that research institutions and an educated labor force are the two most important factors in developing and sustaining a regional technology economy. Washington State has strong research institutions and a strong cyber infrastructure, but we have unmet needs in educating our labor force. Jobs in the innovation economy that produce intellectual products

require a bachelor's degree or greater. These jobs drive our regional standard of living. We lead the nation in employing people with these degrees, but we lag behind the nation in their production.

Fox ended his presentation with a question, "For what kind of future are we preparing our children?"

Washington Learns Project

Sulton announced that due to personal circumstances, Roberta Greene has decided to step down as chair of the Washington Learns Higher Education Advisory Committee. Denny Heck has been named to replace Greene as chair, and Betti Sheldon is now a member of the committee. Three higher education sub-committees have been created to focus on enrollment, funding, and transitions. The committee has 120 days to produce a report. Meanwhile, the Washington Learns Steering Committee recommended in their interim report that the governor establish a cabinet-level department of early learning. In addition, the governor's budget included a proposal for \$38.5 million to help students who do not pass the WASL the first time.

Prosperity Partnership

The Prosperity Partnership is a new coalition of more than 150 government, business, labor and community organizations from King, Kitsap, Pierce, and Snohomish counties that is dedicated to developing and implementing a common economic strategy in the area. The group's shared goal is two-fold: long-term economic prosperity, and 100,000 new jobs for the central Puget Sound region.

Bill Grinstein and Jim Sulton serve on the Higher Education Working Group, which met for the first time on February 17. The group has set a goal of developing a consensus higher education reform proposal for 2007, which contains a number of ideas that are also found in the 2004 Strategic Master Plan. The group's overriding goal is to increase the number of bachelor's and advanced degrees awarded in Washington, with an emphasis on applied sciences and engineering.

Federal Commission on the Future of Higher Education

The commission created in September by U.S. Education Secretary Margaret Spellings has continued to meet regularly – including recently in Seattle, where Sam Smith was one of the presenters. The 19-member commission has been entertaining a number of ideas in its quest to create a blueprint for a 21st century higher education system.

Commission Chairman Charles Miller has suggested that students in college should be 'tested' on what they are learning, and that instituting an accountability system that measures and reports on student learning is essential for higher education and society.

Student advisory board

Sulton said that HECB student member Lance Kissler recently made an excellent suggestion that members and staff of the HECB, as well as the governor's office, become better acquainted with the Washington Student Lobby and its associated student organizations. In a meeting held last month with the presidents of Washington's public four-year student associations, some of the discussion centered on the process of nominating or appointing the student representative to the HECB, and possible ways of improving the system. The group also discussed the possibility of forming an advisory board of students to work consistently with HECB staff.

Sulton promised to follow up on this notion and to ensure that board and staff increase their interaction with students.

WICHE State Scholars Initiative

The Western Interstate Commission for Higher Education (WICHE) announced a request for proposals from states interested in participating in the State Scholars Initiative. SSI is a national program that uses business leaders to encourage students to take a more rigorous curriculum in high school. Washington is one of 14 states currently participating in the program, and others are expected to be added this spring.

GET (Guaranteed Education Tuition) program update

Sulton advised that the state's highly successful GET program is expected to benefit from a recent change in federal law. The new law will adjust the way prepaid tuition plans are treated under the federal student aid formula, which should encourage more families to choose GET as part of their college investment strategy.

There are now a total of 58,428 GET accounts opened, valued at \$ 659.7 million. For the 2005-06 enrollment period alone, 3,249 new accounts were opened, and 4,764 students are currently using their benefits to pursue a college education.

Education Committee report

Education Committee Chair Sam Smith introduced the academic agenda items, which include two consent agenda items and a presentation and discussion regarding major-ready pathways.

BA in Women's and Gender Studies at EWU approved

<p>ACTION: Betti Sheldon moved to approve a new degree program proposal from Eastern Washington University – BA in Women's and Gender Studies (Res. 06-05). Lance Kissler seconded the motion, which passed unanimously.</p>

Smith announced that the other new degree program proposal noted on the agenda, a Ph.D. in Public Policy and Management at the University of Washington, will be considered at the board's March meeting.

Status report on the implementation of House Bill 1794

To help expand access to baccalaureate degrees, the 2005 legislature passed HB 1794, which authorizes several new initiatives:

- Expanded role for the branch campuses to include the development of lower-division courses, greater flexibility in admitting transfer students, and freshman enrollment;
- Continued collaboration with the two-year college system through implementation of proportionality and co-enrollment agreements;
- Two pilot projects at the community and technical colleges: the first would allow four of the colleges to offer applied baccalaureate degree programs, and the second would allow the two-year colleges to contract with regional universities, The Evergreen State College, and the branch campuses to offer degree programs on community college campuses.

Under the legislation, the HECB is required to report on the progress of implementing the new authorities by December 2008.

Sulton reported that staff has been working with the State Board for Community and Technical Colleges (SBCTC) on sequencing approval of the new programs and that the HECB is in the process of implementing agreements between the four-year and two-year colleges. He spoke briefly on the progress of branch campus expansion at WSU Vancouver, WSU Tri-Cities, UW Tacoma and UW Bothell, and the transition of administrative responsibility for the North Snohomish, Island, Skagit (NSIS) consortium to Everett Community College.

Smith read the resolution requesting approval of a set of measures that will be used to assess progress in implementing the goals articulated in HB 1794.

ACTION: Bill Grinstein moved to approve Resolution 06-06. Sam Smith seconded the motion, which passed unanimously.

Articulation and Transfer – Major-Ready Pathways

Andi Smith, HECB associate director for academic affairs, provided an update on this project. The 2004 legislature passed House Bill 2382, which directed the HECB to convene work groups to develop transfer associate degrees called major-ready pathways, or MRPs. The pathways are designed to prepare transfer students for entry into their chosen major by outlining appropriate requirements and prerequisites in the freshman and sophomore years. HB 2382 specified that MRPs should be developed for nursing, elementary education, and pre-engineering.

HECB staff, representatives from the SBCTC, the Council of Presidents (COP), and the Independent Colleges of Washington (ICW) have identified participants for work groups representing the three disciplines to work through the pathways. The Joint Access Oversight Group, or JAOG, provided the workgroups with their charge, the general timeline, and some suggested guidelines for developing this work.

For background information, Smith described the two transfer associate degree pathways that are currently in use: the DTA (direct transfer agreement), which provides the best preparation for most majors in the arts, humanities, and social sciences; and the AS-T (associate of science - transfer), which is structured like the DTA but geared more toward math and science coursework. These pathways provide some flexibility for students in choosing their courses, but they don't necessarily specify the prerequisites that students need for admission to specific competitive majors at the state's public and private universities. The major-ready pathways further narrow and specify the prerequisites, enabling transfer students to receive the best possible preparation for their majors.

Smith reported that pathways for nursing, elementary education, and engineering have been completed, while work on business and engineering technology is ongoing. JAOG is working in concert with the HECB and the Intercollegiate Relations Committee (IRC) to identify the match between the pathways and the completed degree.

Recommendations and next steps include: reviewing current transfer policies; identifying areas of need; and gathering data to determine how well the MRPs are working. The HECB is required to report on major-ready pathways every other year.

Hernandez asked which indicators will be used to assess the effectiveness and quality of the process. Andi Smith responded that her work dovetails with the accountability project that Chris Thompson is working on. A major indicator is the attainment of bachelor's degrees, and another would be streamlining the process toward a degree. Hernandez agreed that the number of degrees attained would be a good trailing indicator; however, he would like to see whether the process is user-friendly in terms of facilitating transfer for students.

Senate and House 2006 Supplemental Budget Requests

Sulton introduced the fiscal committee reports, and asked Holly Lynde, HECB fiscal policy analyst, to provide an update on the 2006 supplemental operating and capital budgets submitted by the House and Senate.

Lynde used a PowerPoint presentation and spreadsheets to present details of the institutions' requests, the HECB recommendations, the governor's budget, the budget passed on the Senate floor, and the House budget as passed by Appropriations. The Senate budget was a striking amendment to the governor's budget, and the House budget was a striking amendment to the Senate budget. Once the budgets are agreed upon by both chambers, the governor is expected to sign the final version by March 9, which is the final day of the 60-day session.

Lynde discussed the differences in the budgets presented by the House and Senate in the areas of higher education enrollments, student financial aid, program enhancements, and compensation. Some highlights of the report included:

High-demand enrollments – The Senate gave the HECB \$2 million to fund 180 high-demand FTEs at \$11,000 each, and also \$20,000 for administration. The SBCTC also received high-demand funding, with 125 FTEs funded at \$8,000 each. The House funded high-demand enrollments directly to UW and WSU, rather than providing for a competitive process through the HECB. The UW received \$2.5 million for 150 FTEs specifically for engineering, math, and science baccalaureate degrees. WSU received \$1.2 million for 80 FTEs, with priority given to baccalaureate and graduate degrees in nursing, and baccalaureate degrees in engineering and construction management.

Student financial aid – The Senate gave the HECB \$75,000 for the GEAR UP program. The bill also allows the HECB to transfer unexpended funds from the Promise Scholarship program and the State Need Grant program to GEAR UP. The HECB also received \$1 million for Future Teachers Conditional Scholarship. The funding is contingent upon passage of SSB 6171, which would provide funding for a demonstration project to assist classified public K-12 school employees in earning a teaching certificate with an endorsement for bilingual or special education.

The House also provided \$75,000 for GEAR UP. The Future Teachers Conditional Scholarship Program received an additional \$600,000 for scholarships, and \$44,000 for administration and an advisory committee. The funding is contingent upon passage of SHB 2989, which is geared toward math and science teachers. Additionally, the House gave the SBCTC \$5.075 million for the Opportunity Grant Program, with the funding contingent upon passage of E2SHB 2630.

Program enhancements – While there were some similarities in the items funded by the House and Senate, they were often funded at different levels. For example, the Senate gave only \$400,000 of the \$900,000 requested by the SBCTC for planning for applied baccalaureate programs, while the House funded the SBCTC's full request. Both the House and Senate funded UW's full request for operations and maintenance of their Life Sciences Research building, and both Houses provided full funding for WSU's Agricultural Weather Network.

Compensation – The Senate provided a total of \$4.4 million to the SBCTC for its nursing faculty project (\$140,000), faculty salary incremental increases (\$1 million), and funding for the I-732 COLA (\$3.2 million). The House gave a little less -- a total of \$4 million -- to fund the I-732 COLA (\$3.2 million), with the remainder earmarked for part-time academic employee healthcare benefits.

Capital budget

The institutions requested a little less than \$26 million, the HECB recommended \$14 million, and the governor proposed less than \$3 million. The Senate provided \$20.37 million and the House Capital Committee proposed \$21.27 million. The HECB's \$14 million recommendation was based on the traditional criteria for supplemental budget funding -- funding only technical corrections to the 2005-07 biennial budget and emergent needs.

Grinstein asked for more clarification regarding WSU's request to fund construction of a biotechnology building using certificates of participation, which was authorized in the Senate budget, but not in the House budget. Lynde explained that if a building is funded through certificates of participation, this process would preclude the building from receiving state maintenance and operations funding in the future. However, if construction of the building is deferred to 2007 and funded by bonds, as the House is proposing, it would be eligible to receive maintenance and operations funding.

2005-06 Washington State Tuition and Fee Report

Sulton introduced Kathy Raudenbush, HECB fiscal analyst, to present her annual tuition and fee report. The report is used by several states to analyze and set tuition and fee rates for their own colleges and universities and is also a valued resource for the National Center for Public Policy and Higher Education.

Raudenbush said the report is based on a survey the HECB conducts each year on the tuition and fees of all 50 states. To start, she looked at how much Washington full-time resident undergraduate students are paying this year. The state's two research universities currently average about \$5,500; the comprehensives are about \$4,100-\$4,200; and the community colleges average about \$2,400 per year. In her annual report, Raudenbush compares those figures to the data gathered from other states.

Raudenbush said her findings illustrate that Washington resident undergraduate students at both four- and two-year institutions pay less tuition than the national average, and less than the average tuition at comparable or peer institutions. However, tuition rates for all categories of students in Washington are higher than in most western states. Tuition and fees have increased more than 82 percent over the past 10 years at the University of Washington; nationally, tuition and fee increases have averaged nearly 94 percent over the same period.

The presentation also included historical information regarding our state's tuition policies prior to 2005-06. This year's tuition and fee rates are based on 2003 legislation that gave the SBCTC and the governing boards of all public four-year institutions the authority to set tuition rates for all the students other than resident undergraduates. The legislature will maintain the authority to set tuition for resident undergraduates until 2009.

The legislature and governor established annual limits for resident undergraduate tuition increases in the 2005-07 biennial budget. Those limits are 7 percent for the UW and WSU, 6

percent for the comprehensive institutions, and 5 percent for the community and technical colleges.

Smith asked if there are data available indicating whether Washington students pay a much higher percentage of the total cost than other states. He said that if this is the case, either the other states are doing a much better job of teaching their students at a lower cost, or costs are being unfairly shifted to students in Washington. Raudenbush said the data needed to answer that question were not included on the national survey. Grinstein asked whether it would be possible to evaluate the relationship between the percentage of state support to the total cost of instruction over time, both in Washington and compared to other states. Raudenbush said she would look into that issue and provide the information requested.

Discussion with provosts about university/college partnerships and online programs

Colin invited the provosts present at the meeting to discuss the university/college partnerships that are occurring at their institutions and share their perspective on these developments. Following is a summary of their comments.

Fred Campbell, UW Dean Emeritus – *The problem the state faces is providing access to a large number of next-generation students. We do not have an overall plan or a single point of view about how this should be done. The HECB established the branch campuses and the state moved forward in that area, but there wasn't a plan beyond that. Fortuitously, that gave rise to a lot of entrepreneurial behavior on the part of some of the institutions. They stepped forward and began to develop innovative ways of providing access to students. CWU's university center approach is a good example. Central started providing educational services to students who would not have gotten into the UW. The state now has a collection of different approaches to both delivering and funding higher education. No one has taken them apart and looked at them to see how they fit together and to evaluate which ones seem to be working most effectively, and where we should go from here. It would be a good idea for the HECB to sort them out.*

Jane Sherman, WSU Associate Vice Provost -- *Some experiments work and some experiments don't work so well. NSIS is not the most successful model, and a major difference between what was going on at that time (when WWU was the fiscal agent for the project) and what's going on now is that 250 state-funded FTEs are included in the current plan. The NSIS was authorized at a time when there was a sudden spike in enrollments, so by the time the project was underway, all of the institutions were heavily overenrolled. There were also no state-funded FTEs or any funding to commit to the project. The institutions also were experiencing budget cuts at the same time.*

A lot of different partnerships and extended programs are currently underway at WSU. Because institutions have unique roles and missions and specialize in a variety of different programs, they have developed ways of reaching out to students that are different from each other. As a result, a lot of student needs are being filled. As an example, WSU is probably the most active at

undergraduate distance degree delivery. Because a strong nursing program is part of the WSU mission, the university's BSN completion program has been extended to several community college locations.

In response to Colin's inquiry regarding WSU Spokane, which is a partnership with Eastern Washington University at the Riverpoint campus, the collaboration is a very active health care/medical research community that is emerging as an important center of WSU's research activities. Although largely centered in Pullman, educational research activities are becoming increasingly important and are changing in size and shape over time in Spokane.

David Soltz, CWU provost -- *CWU's establishment of university centers comes from its tradition as a normal school going back to the early 1900s; training teachers and providing in-service training all over the state -- including on the west side of the Cascades. Central's presence at Pierce College Steilacoom can be traced to courses that CWU initially offered to military personnel at Fort Lewis. Soltz said the concept of university centers was a logical extension of this type of outreach to the students of the state and is an important part of Central's mission.*

Andrew Bodman, WWU provost -- *WWU has been in the business of extended programs for more than 30 years. One difference, however, is that Western has consistently decided not to ask for state support for enrollment in these programs. Programs that do not bring in enough students (and thereby sufficient revenue) are discontinued. Currently, about 800 FTE students are served off-campus -- about 8 percent of the total WWU student population. Bodman said the extended programs are very narrow in range and include education, human services, school administration, and environmental studies or environmental sciences. Western is committed to providing not only a high-quality education on its main campus, but also providing that same experience to place-bound students.*

Echoing Sherman's earlier comments, Bodman said that while WWU was the fiscal agent for NSIS, it was an idea that could not possibly succeed under the conditions in which it was created. At that point, had there been 250 FTEs on the table, Western could have made it work.

The provosts also were asked to comment on online courses. The Sloane Foundation has released data stating that there are about 2.5 billion students taking online courses, with enrollments increasing by about 22 percent annually.

Soltz -- CWU does not have a large number of purely online courses, except for one graduate program. They have found that students do quite well with multi-modal courses in which they receive direct instruction with an instructor in the room one day a week, have some direct interaction with the instructor on television, and perform the rest of their work online.

Bodman -- *Western offers one online degree program in human services. In a number of their extended programs, however, they utilize lectures given on the campus and delivered via distance to other locations.*

Colin said the UW's online certificate course for project management is phenomenally helpful to some of his employees who want to be project managers. It provides them an opportunity to continue their education without interfering with their daily work requirements.

Campbell -- *The UW initially thought that the growth in online education would be through stand-alone baccalaureate degrees. They now realize that it is more about people taking parts of their education online, or pursuing much shorter certificate programs.*

Other matters

Regarding other topics, Sherman spoke briefly about the JAOG, which works with community colleges and public and private institutions in developing opportunities for students across all sectors in the state. Likewise, responding to a question from Jesus Hernandez earlier regarding good indicators for transfer, Sherman said a good indicator for baccalaureate institutions is to see students graduating more quickly because they are prepared for upper-division coursework when they arrive on the WSU campus.

Chairman Colin asked the provosts to relay a personal invitation from the HECB to their regents and directors to come to HECB meetings and participate in some of the discussions.

With no other business, the meeting adjourned at 3 p.m.



STATE OF WASHINGTON
HIGHER EDUCATION COORDINATING BOARD

917 Lakeridge Way SW • PO Box 43430 • Olympia, WA 98504-3430 • (360) 753-7800 • FAX (360) 753-7808 • www.hecb.wa.gov

RESOLUTION NO. 06-05

WHEREAS, Eastern Washington University proposed to offer a Bachelor of Arts in Women's and Gender Studies; and

WHEREAS, The program would respond to demonstrated student demand by providing students with an opportunity to engage in interdisciplinary scholarship while developing skills in critical thinking and analysis, writing, and communication; and

WHEREAS, The program would serve the needs of employers and the community by preparing graduates to contribute to the community through work in a variety of service and advocacy organizations; and

WHEREAS, The program has undergone an extensive development and review process and has received support from external experts; and

WHEREAS, The costs are reasonable;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the Bachelor of Arts in Women's and Gender Studies.

Adopted:

February 23, 2006

Attest:

Gene J. Colin, Chair

Jesus Hernandez, Secretary





STATE OF WASHINGTON
HIGHER EDUCATION COORDINATING BOARD

917 Lakeridge Way SW • PO Box 43430 • Olympia, WA 98504-3430 • (360) 753-7800 • FAX (360) 753-7808 • www.hecb.wa.gov

RESOLUTION NO. 06-06

WHEREAS, The 2005 Legislature authorized expanded access to baccalaureate degree programs through the passage of House Bill 1794; and

WHEREAS, State law (RCW 28.76.230) directs the Higher Education Coordinating Board to report on progress in implementing the new authorities granted in the measure by December 2008; and

WHEREAS, The three branch campuses that received full authority to admit freshman students – WSU Vancouver, UW Tacoma, and UW Bothell – have made progress in admission of a freshman class for 2006; and

WHEREAS, The State Board for Community and Technical Colleges has worked closely with the Higher Education Coordinating Board to establish a process and criteria for the selection of pilot institutions to award Applied Baccalaureate Degrees and University Contracts; and

WHEREAS, Everett Community College has completed a draft plan for transition of the NSIS consortium to Everett Community College, using the “university center” model; and


WHEREAS, The Higher Education Coordinating Board has reviewed the proposed measures to assess progress in implementing strategies to expand access to baccalaureate degree programs, as authorized in House Bill 1794;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board adopts the measures outlined in the *Status Report on Implementation of House Bill 1794*.

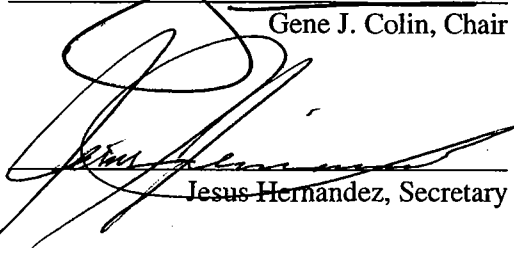
Adopted:

February 23, 2006

Attest:



Gene J. Colin, Chair



Jesus Hernandez, Secretary



March 2006

Doctor of Philosophy in Public Policy and Management University of Washington

Introduction

The University of Washington is seeking Higher Education Coordinating Board (HECB) approval to offer a Doctor of Philosophy in Public Policy and Management. The program, to be offered by the Daniel J. Evans School of Public Affairs, would prepare students to engage in the social and natural sciences in formulating policy options and addressing challenges, as well as assessing the consequences of public policy solutions. If approved, the program would begin in fall 2006.

Relationship to Institutional Role and Mission and the Strategic Master Plan

The program would draw on the strength of the existing Masters in Public Administration (MPA) and enhance the Evans School's already strong public policy research capacity. With an emphasis on public service and policy research aimed at problems that are directly relevant to society and government, the Ph.D. in Public Policy and Management would contribute to the mission of the University of Washington through service to the state and the nation.

Program goals are consistent with the *2004 Statewide Strategic Master Plan* goals of providing opportunities for students to earn degrees and responding to the state's economic needs. The program would be the first in Washington (and one of fewer than 60 nationally) to offer students the opportunity to earn a doctorate in public policy and management. The Evans School contributes to the state's economy through faculty research, external grant funding, and the contributions of Evans School graduates.

Program Need

The Ph.D. proposal is a response to needs expressed by students, employers, and community stakeholders. The *State and Regional Needs Assessment* finds that the state produces fewer professional and doctorate degrees than are required to meet the needs of Washington employers.

Student demand for the program was assessed based upon inquiries received by the Evans School. The school has received over 100 inquiries about the program and close to 50 applications without any significant advertising, due to the pending status of the program. In addition, directors of public affairs doctorate programs around the country report that they have far more applicants than can be accommodated with existing programs. On average, the top-ranked programs in the country offer admission to about 32 percent of their applicants. The Evans School anticipates an acceptance rate of approximately 10 percent, which would place them with the most selective of these institutions.

Employer demand for graduates with a Ph.D. in Public Policy is strong and growing. Growth in demand for graduates is expected to continue, due to increasing enrollments in MPA programs around the country and the anticipated retirement of a large portion of the current faculty cohort. In addition, the hiring preferences of departments are changing. With the maturing of public policy as a field of study, programs are increasingly interested in hiring new faculty with the broader interdisciplinary training provided in a public policy program rather than discipline-specific specialists. Directors of public policy programs, including the Evans School, have reported difficulty in hiring faculty with the preferred qualifications.

Nationally, approximately 200 Ph.D.s are awarded annually, and only a small portion of these are from schools west of the Mississippi. According to a 2004 study by the National Science Foundation, nearly half of those earning a doctorate degree in public policy and public administration were expected to seek an academic post following graduation. In addition, about one third were expected to find employment in government, and the remainder was likely to enter a variety of other positions, including private and non-profit sector research organizations. According to a survey of doctorate recipients conducted by the National Research Council, the unemployment rate for Ph.D.s in political and related sciences was only 1.4 percent in 2001 (the most recent year for which information is available).

The program would serve the community by training leaders for public service positions in government, non-profit organizations, and a variety of other endeavors. In addition, the Ph.D. program would focus primarily on training the next generation of faculty, but also would contribute to the community by strengthening research programs at the Evans School with a special emphasis on service-oriented research projects.

The proposed program would be the first Doctorate in Public Policy to be offered in Washington, and one of fewer than 60 nationally.

Program Description

The primary focus of the program would be to prepare graduates for faculty positions in public policy. As a result, the program is designed to foster the skills necessary to successfully compete for and retain positions in academia. The program would offer students the opportunity to connect with faculty on research projects and through mentoring arrangements. In addition, students would be expected to teach courses while in the program. The department would

commit to supporting each student with a teaching or research assistant position during the first three years of the program. Currently, the Evans School employs more than 40 teaching assistants and research assistants; many of these positions are held by current MPA students, while others are held by Ph.D. students in other departments. While the department hopes to continue to expand the number of teaching and research positions offered, the program does anticipate that some of these positions would be shifted to students in the proposed Ph.D. program over time.

Students admitted to the program would, in most cases, have completed a master's in public affairs or a related field. Students would be expected to present strong math and analytical skills, as well as having completed coursework in calculus, statistics, and/or economics. In addition, applicants would be expected to demonstrate excellent oral and written communication skills during the admissions process.

Students would complete a minimum of 90 quarter credits (60 semester credits) and would typically complete their degree program within five years. The curriculum is divided into three phases. During the first phase of the curriculum, students would engage in a set of core courses that follow two streams. The first would be foundational work in public policy and management theory, and the second would focus on research design and methods. At the end of the first year of study, students would take a qualifying exam to assess their readiness to move forward in the program.

In the second phase of the program, students would develop specializations in theory, methods, a specific discipline, and a substantive policy area. Upon successful completion of a second-year assessment – comprised of written and oral exams – students would proceed to their general exam. After successful presentation of the general exam, students would advance to candidacy status and, thus, enter the third phase of the program; in which they would form a dissertation reading committee, prepare a dissertation, and complete a final examination.

In the first year, the program would accommodate 4-5 FTE students – growing to approximately 29 FTE students at full enrollment in the fifth year. Some of the courses would be open to Ph.D. students in other programs, as well as advanced MPA students. In addition, the program would draw on a number of existing courses offered in the Evans School and in other programs as part of the core curriculum. Course-sharing arrangements are in place with sociology, political science, and urban design and planning.

The program would draw on 28 faculty in the Evans School, providing depth and breadth of experience. All of the core courses have at least two regular faculty who teach the course on a regular basis.

As indicated above, students would be assessed throughout the program. In addition to the typical assessment within individual courses, students would be assessed across the curriculum in each phase of the program. One aspect that is perhaps unique in doctorate programs and applauded by one of the reviewers, is the comprehensive first-year assessment that students would take following completion of their core coursework and prior to their specialization. In

the second phase of the program, students would be assessed again across both the core and their specialization areas. Finally, students' readiness for the dissertation would be assessed with the general exam and, of course, students would sit for a final examination upon completion of the dissertation.

The program would be assessed through a variety of approaches as well. First, the program would track its success through the successes of its students. Measures would include completion and placement rates and graduate productivity in terms of publications. Students would also complete course evaluations and participate in exit interviews to provide feedback on the program.

Faculty participation in the Ph.D. program would be evaluated through teaching assignments and dissertation committee assignments. Also, the program would track collaboration between students and faculty, including research seminars and collaborative publications.

Finally, the program would request an external review of the program and outcomes.

Diversity

The Evans School is proud of its success in attracting a diverse student body to the current MPA program. About 18 to 20 percent of the students in the MPA program are students of color, which is about equal to the overall percentage of Washington residents holding bachelor's degrees. However, the school is not content with these results and is actively pursuing a number of strategies to improve program diversity. Strategies include a concerted effort, which has met with some success, to recruit and retain faculty of color. In addition, the admissions director and admissions recruiter share a commitment to improving diversity and have developed targeted recruitment strategies to attract students. The program also has significantly added to the financial aid offered to students to ensure that students are able to afford the program.

External Review

The program was reviewed by two external experts: Astrid Merget, Dean and Professor, School of Public and Environmental Affairs at Indiana University; and Brinton Milward, McClelland Professor and Director, School of Public Administration and Policy at the University of Arizona. Both reviewers expressed support for the program and cited the shortage of qualified new faculty.

Merget endorsed the program with enthusiastic support, citing a number of strengths in the current MPA program and maintaining that those strengths position it well to mount a high-quality Ph.D. program. Merget indicated that the proposed curriculum is consistent with that of the leading programs nationally. In addition, she stressed the need for such a program to respond

to the shortage of qualified new faculty; a shortage that is expected to worsen as current faculty retire. Merget did raise concern over the size of the program, suggesting that a cohort of only 4 FTE students may be too small. She also suggested that the administrative needs of the program may grow over time, requiring a larger share of the director's time than indicated in the proposal.

Milward indicated that the proposal made a strong case for the addition of this degree program and that it would have national as well as regional appeal. He cited the shortage of qualified Ph.D.s to fill academic positions in the coming years, and suggested that graduates would be well positioned to compete for academic appointments at the top universities. In addition, Milward suggested that graduates of the Ph.D. program would have opportunities in "think tanks" and research institutes.

In response to the reviewers' comments, the Evans School modified the proposal to increase the cohort size to a maximum of 7 students per year. This change substantially reduces the per-FTE costs and increases the size of the program from 18 FTE to 28 FTE at full enrollment.

Eastern Washington University and Central Washington University submitted letters supporting the new degree program.

Program Costs

The costs outlined for the program would be met through reallocation of funds and new state funds, grants, contracts, and fee-based programs. The program would enroll 4-5 FTE students in the first year, growing to 29 FTE students by the fifth year of the program. The program would draw on existing faculty expertise. Program costs are estimated, based on faculty time equivalent to 1.4 full-time faculty positions. Administrative costs are based on a .2 FTE program chair and a .5 FTE administrative support position.

No capital improvements are required for program implementation.

Estimated costs provided in the proposal include the cost of the TA/RA positions. Because those costs would be passed on to whichever program employs the student, that cost is subtracted for the purposes of this discussion. In the first year of the program, with an entering class of 4 FTE, costs are estimated to be \$49,825 per FTE. At full enrollment in year five, the cost would be \$13,575 per FTE. The average cost of instruction for graduate students in the social sciences at the University of Washington is \$13,231. Due to data limitations, the annual HECB cost study does not break out the cost of Ph.D. programs from other graduate programs; so while the proposed program would be delivered at a higher-than-average cost compared to other social science graduate enrollments, the cost does appear to be reasonable.

Staff Analysis

The proposed program would support the unique role and mission of the institution by providing students with an opportunity to earn a degree that connects with the research and public service missions of the university and the Evans School of Public Affairs.

The program also responds to the strategic master plan's goals of providing opportunities for students to earn degrees and responding to the economic needs of the state. The proposal also responds to the needs and desires of students.

The program draws on an experienced and well-qualified faculty and would serve to enhance current and future research programs. The proposal also lays out a rigorous student assessment approach that would ensure quality by providing ample feedback to students. The proposed program assessment approach is comprehensive and includes feedback from a variety of sources, including an external review of the program and outcomes.

The program responds to demonstrated student, employer, and community needs; consistent with the state and regional needs assessment and the institution's own assessment of need.

Drawing on existing structures and relationships established in the current MPA program, the proposal outlines a strategy for recruiting a diverse student body, with a goal of continuing improvement over time.

The program would not duplicate existing programs and would be offered at a reasonable cost.

Recommendation

Based on careful review of the program proposal and supplemental sources, HECB staff recommend approval of the Doctor of Philosophy in Public Policy and Management at the University of Washington.

The Education Committee met on March 16, 2006 and voted unanimously to recommend approval of the Doctor of Philosophy in Public Policy and Management at the University of Washington.

RESOLUTION NO. 06-07

WHEREAS, The University of Washington proposes to offer a Doctor of Philosophy in Public Policy and Management; and

WHEREAS, The program would support the unique role and mission of the institution by providing students with an opportunity to earn a degree that connects with the research and public service missions of the university; and

WHEREAS, The program would respond to demonstrated student, employer, and community needs, consistent with the state and regional needs assessment and the institution's own assessment of need; and

WHEREAS, The recruitment and diversity plan is well defined and builds upon an existing and successful infrastructure in the Evans School of Public Affairs; and

WHEREAS, The program has undergone an extensive development and review process and has received support from external experts; and

WHEREAS, The costs are reasonable;

THEREFORE, BE IT RESOLVED, That the Higher Education Coordinating Board approves the Doctor of Philosophy in Public Policy and Management at the University of Washington.

Adopted:

March 30, 2006

Attest:

Gene J. Colin, Chair

Jesus Hernandez, Secretary



March 2006

Amending the HECB Bylaws

As discussed at the February board meeting, the board must amend its bylaws as a result of legislation passed in 2002. Senate Bill 6557 stipulated that the chair, formerly appointed by the governor, and the vice chair, previously selected by the chair with the consent of the membership, shall be elected by the board.

Due to this required amendment, the board and its staff have taken the opportunity to review the bylaws in their entirety, and a slate of amendments has been suggested by the executive committee.

Election, Terms, and Duties of Officers

Implementation of the change to election rather than appointment of the chair was to occur subsequent to the departure of the chair who was in place at the time of the bill's enactment on June 13, 2002. The bill states that the board "shall select from its membership a chair and a vice chair who shall each serve a one-year term. The chair and vice chair may serve more than one term if selected to do so by the membership."

Executive committee recommendations include extending this election process to the office of secretary.

Recommendations also include limiting members to two consecutive one-year terms in a particular office, and adding approval of meeting minutes to the duties of the secretary. The executive director remains responsible for keeping and distributing the minutes, and is recognized as a non-voting, *ex officio* member of the board.

Other Highlights of Executive Committee Recommendations

The executive committee's recommendations also include the following:

- Allowing for meeting agendas and materials to be distributed via email;
- Adding a section regarding committee structure and specifying the formation of an executive committee; and
- Requiring the board to adopt the following year's meeting schedule during its regular December meeting.

RESOLUTION NO. 06-08

WHEREAS, Senate Bill 6557 stipulated that the Higher Education Coordinating Board change the process by which its chair and vice chair are selected; and

WHEREAS, The bill was enacted into law on June 13, 2002; and

WHEREAS, The HECB bylaws must be amended to reflect the required changes; and

WHEREAS, the executive committee of the HECB has reviewed the bylaws and has recommended the changes outlined in Senate Bill 6557, as well as additional changes in processes and rules, including:

- Stipulating that the secretary, in addition to the chair and vice chair, be elected by the board;
- Limiting members to two consecutive one-year terms in a particular office;
- Adding approval of meeting minutes to the duties of the secretary;
- Recognizing the executive director as a non-voting, *ex officio* member of the board;
- Allowing for meeting agendas and materials to be distributed via email;
- Adding a section regarding committee structure and specifying the formation of an executive committee; and
- Requiring the board to adopt the following year's meeting schedule during its regular December meeting; and

WHEREAS, the committee has presented, and the board has discussed, the committee's recommendations;

THEREFORE, BE IT RESOLVED, That the members of the Higher Education Coordinating Board adopt the changes recommended by the executive committee and approve the updated version of the board bylaws.

Adopted:

March 30, 2006

Attest:

Gene J. Colin, Chair

Jesus Hernandez, Secretary

Invest in Washington...

One student at a time.



Independent Colleges of Washington

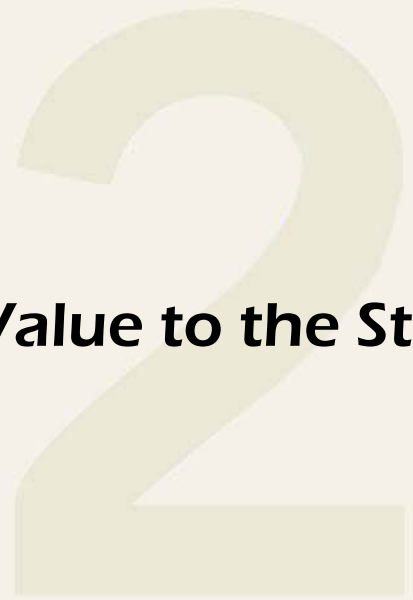
**Gonzaga University / Heritage University / Pacific Lutheran University / Saint Martin's University / Seattle Pacific University
Seattle University / University of Puget Sound / Walla Walla College / Whitman College / Whitworth College**

ICW Colleges and Universities



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Who we Serve

A large, stylized light green number 2 is centered in the top-right quadrant of the image.

A Value to the State

A large, stylized light green number 3 is centered in the bottom-left quadrant of the image.

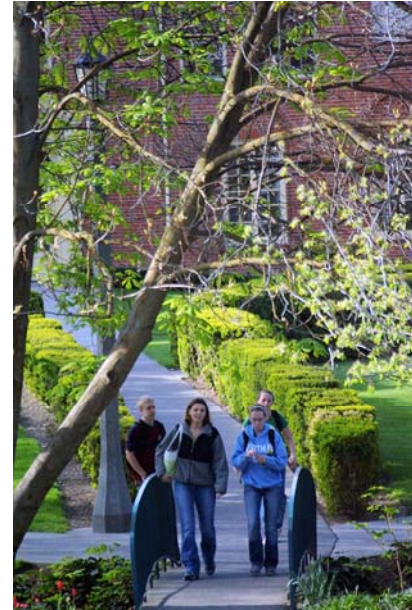
Degrees Conferred

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Community Outreach

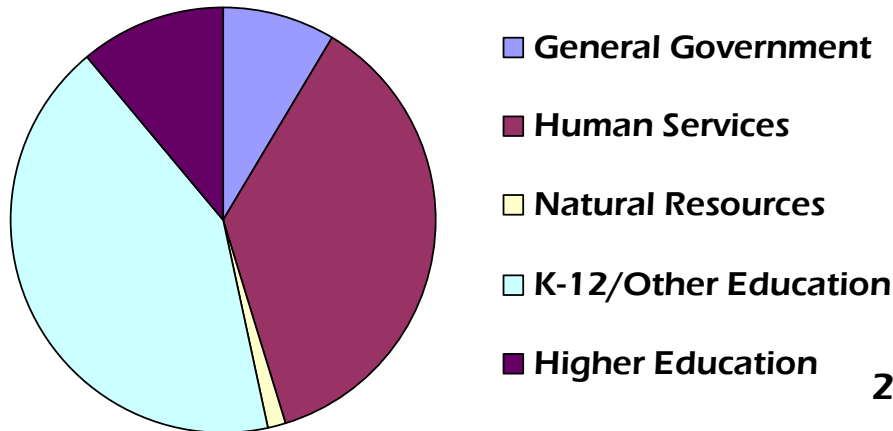
Who we Serve

- **33,000 students**
 - two-thirds Washington residents representing every Washington county
 - 30% of new students are transfers
- **23% are students of color**
 - over half are underrepresented minorities (41% at state bacc. colleges)
- **26% of undergraduates receive State Need Grants**
- **32% of undergraduates receive federal Pell Grants**



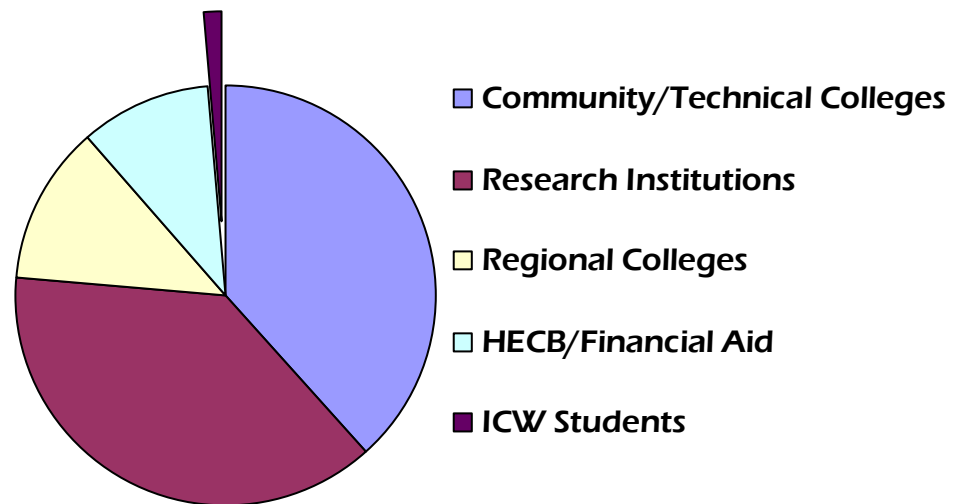
A Value to the State

2005-07 Washington State Operating Budget



- Students at ICW colleges receive 1% of the state's higher education budget – in the form of student financial aid

2005-07 Washington Higher Education Budget



Gonzaga University / Heritage University / Pacific Lutheran University / Saint Martin's University / Seattle Pacific University
Seattle University / University of Puget Sound / Walla Walla College / Whitman College / Whitworth College

A Value to the State

**ICW member colleges generate
\$1.7 billion in economic activity annually.**



- **ICW member colleges employ 5,570 people**
- **12,000 out-of-state students bring more than \$350 million into Washington's economy each year**
- **Student visitors spend over \$9 million a year at Washington businesses**
- **ICW member colleges awarded 5,704 degrees last year**

Degrees Conferred

The “playing field” is leveled for state grant recipients



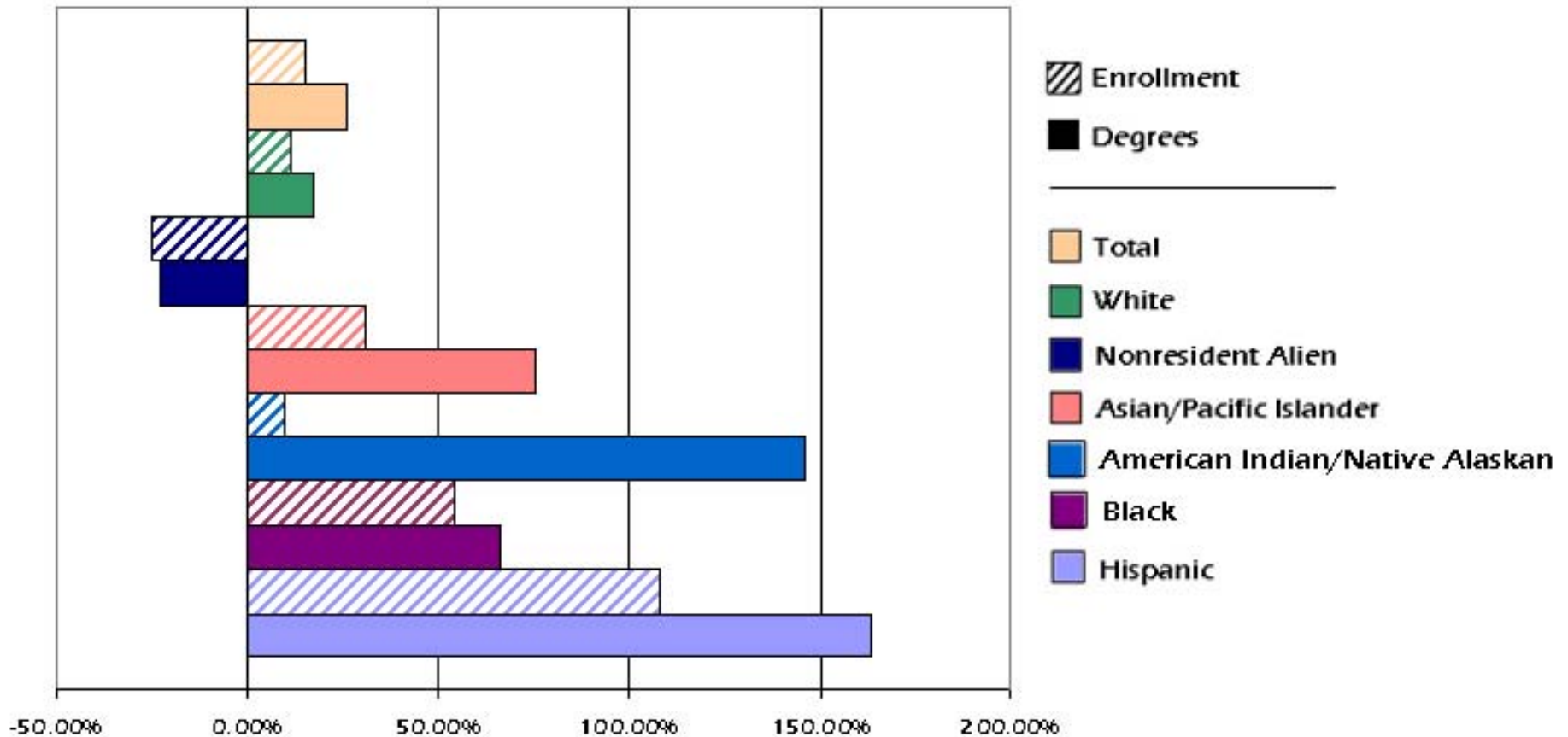
	SNG recipients	Non- recipients
Finish in four years	79%	80%
Average personal income (if working full-time)	\$26K	\$27K
Currently employed	79%	84%
Enrolled in full-time graduate program	19%	13%

*Financing Higher Education Today: How
2002 graduates paid for and perceive the
benefits of their education (May 2005)*

**Gonzaga University / Heritage University / Pacific Lutheran University / Saint Martin's University / Seattle Pacific University
Seattle University / University of Puget Sound / Walla Walla College / Whitman College / Whitworth College**

Degrees Conferred

Percent increase in enrollment and degrees by race/ethnicity, 1994 to 2004



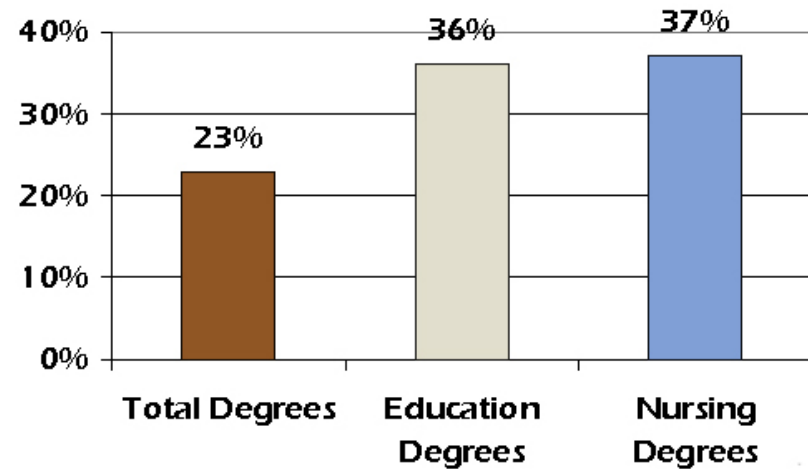
Gonzaga University / Heritage University / Pacific Lutheran University / Saint Martin's University / Seattle Pacific University
Seattle University / University of Puget Sound / Walla Walla College / Whitman College / Whitworth College

Degrees Conferred

- **75% of students graduate within four years**
 - the state average is 59%



Percent of Baccalaureate and Higher Degrees Conferred in the State at ICW Colleges



Community Outreach

- **Gonzaga University** began a BSN program this year
– 6 of the 18 students in the first class represent a minority
- **Heritage University** began an LPN program to grow into an RN with emphasis in bilingual nurses
- **Pacific Lutheran University and Seattle University** offer fast track master's programs for students pursuing a nursing career



Community Outreach



- The School of Education at Seattle Pacific University is revitalizing math and science teacher prep by partnering with the physics department
- Each year **Whitworth College** awards 10 fully funded four-year scholarships to urban leaders in the Tacoma area through the Act Six program
 - students in the program have a nearly perfect retention rate

Community Outreach



- **Pacific Lutheran University** offers an alternative route to teaching education engaging surrounding school districts and creating a new path for para-professionals
- **The School of Social Work at Walla Walla College is partnering with the state penitentiary in a rehabilitation program**
- **Whitman College, Walla Walla public schools, and community mentoring programs team up to fill a mentoring niche for at-risk middle school students**

Community Outreach

- **Saint Martin's University** offers a mechanical engineering degree at Olympic College in Bremerton
- **Heritage University** has joined forces with six community colleges throughout the state to offer four-year degrees on their campuses



Community Outreach

- **Students in the School of Business at the University of Puget Sound provide business and financial planning services to local businesses**
- **Seattle University School of Law runs several clinics in low-income neighborhoods offering free legal advice**



Invest in Washington...

One student at a time.



March 2005

Status Report on Program and Facility Approval

HECB Information Item

This is an informational report to the members of the Higher Education Coordinating Board at its March 30 meeting. No board action is necessary at this time.

Background

The Higher Education Coordinating Board is charged with planning and coordination of academic programs and off-campus facilities, including teaching sites and centers.

In September 2005, the board adopted revised policies and procedures contained in *Program and Facility Approval Policies and Procedures*. The revised policies and procedures clearly define the criteria used to approve programs and off-campus facilities and offer ample opportunity for interested parties to provide feedback on program proposals.

Under the *Program and Facility Approval Policies and Procedures*, the HECB approves:

- New degree programs by any public four-year college or university;
- Creation of any off-campus programs by a public four-year college or university;
- Purchase or lease of major off-campus facilities by a public four-year college or university or a community or technical college;
- Creation of higher education centers and consortia;
- New degree programs and creation of off-campus programs by an independent college or university, in collaboration with a community or technical college;
- Applied bachelor's degree programs developed by a community or technical college; and
- Agreements between a community or technical college and one or more regional universities, branch campuses, or state colleges to offer bachelor's degree programs.

The Higher Education Coordinating Board's *Program and Facility Approval Policies and Procedures* authorize the HECB executive director to approve proposals by public four-year institutions to plan new programs or extend existing degree programs to an off-campus location. The process requires an institution to submit a "notification of intent" (NOI) to the HECB, providing basic information about the program and detailing the need and cost of delivering the program.

HECB staff post the information on the HECB Web site within five business days after receiving the proposal and notify the provosts of the other public four-year institutions, the Independent Colleges of Washington, the Council of Presidents, and the four-year universities' Committee on Academic Program Planning. Interested parties have 30 days to review and comment, and if there are no objections, the HECB executive director will approve the proposal.

Program Changes and Planning Activities Approved by the Executive Director between December 2005 through February 2006

From December 2005 through February 2006, the HECB executive director approved the following program changes and planning activities:

Eastern Washington University received approval to move the Bachelor of Arts in Communication Disorders to the Spokane Riverpoint Campus, effective September 2006.

Western Washington University received permission to develop a proposal for a Masters of Professional Accounting program that would begin fall 2007 at the Bellingham Campus. Both programs are described below.

Bachelor of Arts in Communication Disorders at EWU - Spokane Riverpoint - Approved February 13, 2006

Eastern Washington University received approval to move the undergraduate program in communication disorders to the Spokane Riverpoint Campus. The change would allow the undergraduate program to share facilities with the graduate program and provide more convenient access to lab and clinic space. In addition, the consolidation will eliminate the need for duplication between the two sites and allow faculty and students to concentrate efforts more fully on classroom and clinical activities and substantially reduce the need to commute between the Spokane Campus and the Cheney Campus.

Beginning fall 2006, the program's 46 undergraduate students will be engaged in courses and clinical work at the Spokane campus. The change provides for consolidation of resources and possible cost savings; the proposal does not anticipate expanded enrollments and therefore further enrollment projections are not provided.

In accordance with HECB Board Policies and Procedures, the program proposal was circulated among the public baccalaureate institutions for comment. No institutions raised concerns about the proposed move.

Master of Professional Accounting at Western Washington University – Permission to Develop a Proposal - March 15, 2006

Western Washington University received “permission to develop” a program proposal for a Master of Professional Accounting (M.P.Acc) degree program. The program would allow students to move directly from a baccalaureate degree in accounting into a 45-credit master’s degree program that would prepare students for the CPA exam. In 2000, the requirements for the CPA exam changed such that students in undergraduate programs were required to complete 225 quarter credits (inclusive of the bachelor’s degree credits) in order to meet licensing requirements. Western was among many schools that maintained their undergraduate accounting program and added an accounting option within their accelerated M.B.A. program for students to meet these requirements. Since 2000, an increasing number of firms have expressed a preference for students with a master’s degree and internship experience. The proposed M.P.Acc will provide students with a greater opportunity for internships than the existing pathway, and will more closely align with employer hiring preferences.

- Beginning in fall 2007, the program would admit 15 FTE students, and would grow to an enrollment of 25 FTE students by the fourth year of the program (2010).
- The proposal cites several sources in establishing demand for the program. Employer and student preference provide the primary motivation to move to a graduate level program, which would address a demonstrated need for additional graduates who are prepared for the CPA exam. The needs addressed in the proposal are consistent with findings in the State and Regional Needs Assessment.
- In accordance with HECB Board Policies and Procedures, the request for planning authority was circulated among the public baccalaureate institutions for comment. No institutions raised concerns about the proposed program.

Programs Currently Under Review

Community and Technical College Baccalaureate Programs Seeking Permission to Develop Status:

- South Seattle – B.A.S. Hospitality Management (Comment period ended 1-6-06)
- Bellevue – B.A.S. Radiation and Imaging Sciences (Comment period ended 1-6-06)
- Everett – B.A.S. Business Development (Comment period ended 1-6-06)
- Lake Washington – B.A.T. Management (Comment period ended 1-6-06)

- Olympic – B.S. Nursing (Comment period ended 1-6-06)
- Peninsula – B.A.S. Applied Management (Comment period ended 1-6-06)

Program Extensions and Community and Technical College/University Agreements

- Clark College/Eastern Washington University – B.A.S.W. with a minor in Alcohol and Drug and Aging Studies and B.S. Technology (Notice of Intent - Comment period ended 2-28-06)
- Edmonds Community College/Central Washington University - B.A.S. Information Technology and Administrative Management (Notice of Intent - Comment period ended 2-28-06)
- Everett Community College/University of Washington, Bothell – B.A. Interdisciplinary Arts and Sciences (Notice of Intent - Comment period ended 2-28-06)
- Pierce College/Central Washington University – B.A.Ed. Elementary Education with minor in Reading (Notice of Intent - Comment period ended 2-28-06)

New Program Approvals

University of Washington

- Ph.D. in Public Policy and Management (Scheduled for action March 2006)
- Ph.D. in Rehabilitation Science (Comment period ended 1-14-06)

Western Washington University

- B.A. in Japanese (Under review)

New Programs Approved in 2006

University of Washington, Bothell – M.A. in Culture Studies (approved January 2006).

University of Washington, Tacoma – B.A. in Computing and Software Systems (approved January 2006).

Eastern Washington University – B.A. in Women's and Gender Studies (approved February, 2006).

HECB Legislative Issues: 2006 Status Report

This status report reflects legislative activity through March 20, 2006

Items marked with an asterisk were reported previously as not passing out of committee.

Issue	HECB Perspective	Legislative Status
Supplemental operating and capital budgets	The HECB in December 2005 made recommendations to the legislature for supplemental operating and capital budget enhancements for higher education during the 2006-07 fiscal year.	<p>The final conference budget is summarized under Tab 7 of today's agenda packet.</p> <p>Governor Gregoire's proposed supplemental budgets were summarized under Tab 6 of the board's January 26 agenda packet. The House and Senate versions were summarized under Tab 9 of the board's February 23 agenda packet.</p>
Regional planning and branch campus expansion	The HECB has undertaken a study of higher education needs and options in the Snohomish, Island, and Skagit counties region as directed in the 2005-07 capital budget. HECB staff also worked during the interim with a group of Tri-Cities education and community leaders to address issues that arose during the legislature's consideration of branch campus legislation (HB 1794) during the 2005 session.	<p>SHB 2867 was passed by the legislature. The bill will require WSU-Tri-Cities to develop a plan for expanding into a four-year institution. The plan is to identify new degree programs and course offerings focused on areas of specific need in higher education in southeastern Washington. The plan is to be submitted to the HECB and the legislature by Nov. 30, 2006. Beginning fall 2007, WSU-TC may begin (subject to HECB approval) admitting lower-division students directly into programs beyond biotechnology.</p> <p>SHB 3113 was passed by the legislature. The bill declares legislative intent to fund enrollment of 250 FTEs at the upper division and graduate levels to meet the higher education needs of the North Snohomish, Island, and Skagit counties (NSIS) region. The bill declares that a university center model centered on a community college campus shall be used. Enrollment is to begin in fall 2006. The budget includes \$325,000 for implementation and clarifies that the FTEs are not new enrollments.</p>
Tuition waivers		<p>SHB 1986 did not pass. The bill would have directed the HECB to study current tuition waiver practices.</p> <p>SHB 2233 was passed by the legislature. The bill requires the institutions to participate in outreach activities to increase the number of tuition waivers received by veterans.</p>

Issue	HECB Perspective	Legislative Status
Financial aid legislation	By law, the HECB administers all state financial aid programs and coordinates state and federal assistance.	More than a dozen bills were introduced this session to expand or create new financial aid programs, including proposals for grants, scholarships, and state-sponsored loans to students.
Scholarships	The HECB currently administers the Washington Scholars program to recognize top-performing high school students, and is administering the final year of the Promise Scholarship.	<p>SB 6744* did not pass. The bill would have provided 100 GET units as scholarships to students who pass the WASL on the first try and maintain a 3.5 G.P.A. in high school, and whose family incomes do not exceed 100 percent of the state median.</p> <p>SSB 6780 did not pass. The bill would have established a “math-science scholar” high school diploma and called for full-tuition scholarships for students who earn the diploma and pursue math-science studies in college.</p>
Conditional scholarships	The HECB administers conditional scholarship and loan repayment programs for students seeking to enter the teaching and health care professions.	<p>SSB 6783* did not pass. The bill would have created a conditional scholarship and loan repayment program for students who enter math or science-based professions.</p> <p>SHB 2989 and SB 6639* did not pass. Instead, funding for conditional scholarships for prospective math and science teachers was included in the budget.</p> <p>SSB 6171 did not pass. Instead, funding for conditional scholarships to students who wish to earn teaching certificates for bilingual education or special education was included in the budget.</p>
Grants	The state’s largest higher education grant program is the HECB’s State Need Grant, which serves about 60,000 students per year.	ESSHB 2630 did not pass. Several provisions of the bill were instead passed in the budget. The budget calls for the SBCTC to work with the WTECB and a nonprofit organization to market standards and credentials in high-demand occupations to educational institutions and employers. The SBCTC will pilot an “opportunity grant” program that tests strategies for increasing access to postsecondary education for low-income students in job-specific programs. And, the WTECB (in cooperation with the SBCTC) will study barriers to job training access and completion.
Loans	The HECB does not administer direct loans to students. Guaranteed student loans are a major component of the federal government’s student assistance program.	SB 6271* did not pass. The bill would have established zero-interest college loans, administered by the HECB, for eligible students whose family incomes do not exceed 135 percent of the state median.

Issue	HECB Perspective	Legislative Status
Reinstatement of Promise Scholarship program	The biennial state operating budget calls for elimination of the Promise Scholarship program following the 2005-06 academic year.	SB 6811* did not pass. The bill would have restored the Promise Scholarship program and provided about \$6 million for scholarships in 2006-07. The six-year-old program has provided two-year scholarships to thousands of students who graduated at the top of their high school classes and whose family incomes do not exceed 135 percent of the state median.
Tax Incentives	The HECB administers the state work study program and has identified a need for more students in math- and science-related fields.	SB 6293* did not pass. The bill would have authorized tax incentives for employers that hire students in math and science programs.
Running Start	The HECB supports expanding “dual credit” programs that provide students with credit toward both high school and college graduation.	ESSB 5360 did not pass. The bill would have directed OSPI, with assistance from the SBCTC and HECB, to complete a study of the performance and funding of Running Start students.
Technology priorities	The HECB’s recent statewide and regional needs assessment identified several technology-intensive academic fields that should be expanded to meet student, employer, and community needs.	SHB 2817 passed the legislature. This measure declares a state priority to encourage institutions to increase participation and completion of degree programs in engineering, technology, biotechnology, sciences, computer sciences, and mathematics. Institutions are required to report to the HECB and the legislature by November 2008 on the student demand for such programs, additional findings, and proposed alternatives for meeting such demand. HECB is required to report biennially on enrollments, degrees conferred, expenditures and public-private partnerships established relating to these fields.
False academic credentials	The HECB grants authority for certain institutions to issue degrees in Washington.	ESHB 2507 passed. Under this measure, degree-granting institutions operating in Washington would be required to be accredited, have an application for accreditation pending, or be granted a waiver or exemption from the accreditation requirement by the HECB. Granting a false academic credential would become a class C felony. Knowingly using a false academic credential (for example, on a resume) would become a gross misdemeanor.

Issue	HECB Perspective	Legislative Status
Higher Education Strategic Planning	The HECB develops a <i>Strategic Master Plan for Higher Education</i> every four years.	HB 1434* did not pass. The bill would have set targets for the state's investment in higher education by adding enrollments and making sweeping changes to tuition and financial aid. The bill also would have required public colleges and universities to enter into performance contracts with the state.
Cost of course materials	The HECB's enabling statute, as modified by SHB 3103, requires the board to serve as an advocate for students.	SHB 3087 passed the legislature and will require institutions to try to reduce the cost of course materials to students, such as by providing more information to faculty and the public about the cost of course materials and providing students the option of purchasing unbundled course materials when possible.
Rigorous high school curriculum	The HECB sets minimum admission standards, defining the high school curriculum necessary for students to be admitted to the public baccalaureate institutions.	SHB 2706 did not pass. The bill would have required high school students entering ninth grade beginning in 2008-09 to take three credits of math, and students entering ninth grade beginning in 2012-13 to take four credits of math.
College and career readiness centers	The HECB is in the process of defining college readiness definitions in English and science, and has participated in the Transitions Math Project to define mathematics standards.	Neither SHB 3241 nor SSB 6821 passed. The bills would have either explored the creation of, or moved directly to establish, college and career readiness centers to offer basic education courses for students between the ages of 16 and 21.

* reported previously as not passing out of committee



March 2006

Proposal for Revisions to Current Accountability Framework

Introduction

State law assigns the Higher Education Coordinating Board responsibility to “establish an accountability monitoring and reporting system” for higher education in Washington. State law also specifies that the “board shall approve biennial performance targets for each four-year institution and the community and technical college system, and shall review actual achievements annually.”

Board staff are proposing a revision to the current accountability framework. The board will be asked at its May meeting to consider adopting the proposed framework and targets for performance at each four-year institution and the community and technical college system.

Background

The Higher Education Coordinating Board adopted an accountability framework in early April 2005. Later that same month, the legislature adopted a 2005-07 operating budget, which included numerous additional and differing provisions regarding accountability.

Board staff are proposing revisions to the accountability framework adopted last year in order to respond to concerns of institutions about the manner in which we measure performance improvement and to integrate accountability provisions subsequently included in the biennial budget. The accountability framework will be evaluated every four years, in conjunction with the schedule for developing the statewide strategic master plan. In addition, elements in the current proposal will need to be the focus of further planning and collaborative work before full implementation is possible.

The proposal calls for consolidating accountability provisions in one place to provide greater clarity. Removing accountability provisions from statute also will provide more flexibility for the accountability monitoring system. The HECB, Office of Financial Management and institutions will work in partnership to implement the framework. Accountability framework adopted by the HECB is the preferred location for housing the policies.

Overview and Summary

No changes are proposed at this time for accountability monitoring and reporting in the community and technical college system. However, changes may be considered at a future date. For reference, the system for the two-year institutions is summarized below.

There are several important changes proposed in the four-year institutional sector. The balance of this document describes those changes.

The new framework for baccalaureate institutions will include two distinct categories of performance indicators. One category will have associated performance targets. The other category of performance indicators will not require associated targets, but performance will be monitored and data on results will be reported. It is expected that results for indicators without targets should at least remain at or near current performance levels.

The indicators with targets are reduced substantially in number, providing greater opportunity for focusing on high priority results and enhancing the clarity and simplicity of the system. The timeline for performance targets would change from the current biennial target cycle to a goal cycle in which six-year targets provide the primary emphasis, but are accompanied by two- and four-year checkpoint milestones along the path toward the six-year goals. A new set of six-year goals will be added every four years. The proposed framework includes additional guidance to institutions than was previously given concerning the magnitude of improvement the HECB and Office of Financial Management expect and hope to see on performance indicators.

Targets proposed by four-year institutions would be subject to approval by both the HECB and the OFM, which reflects a new partnership envisioned between HECB and OFM in implementing the accountability system. Institutions have the opportunity to include up to three performance indicators of their choice as part of the system; institutions would have the option to include targets for such institution-specific indicators.

Community and Technical College System

At this time, indicators for the community and technical college system will remain unchanged from the April 2005 accountability framework adopted by the HECB. Those indicators are as follows:

- Number of academic associate degrees awarded
- Number of technical associate degrees awarded
- Numbers of students defined as ready for transfer
- Numbers of students defined as ready for work
- Numbers of students gaining at least one competency level in a basic skill

The State Board for Community and Technical Colleges developed the above indicators, except the indicators for degrees awarded. The HECB intends to work in consultation with the SBCTC in the future to analyze available data on student outcomes and determine, based on research, whether additional measures ought to be considered.

Baccalaureate Institution Indicators with Targets

Indicators with targets will focus on degrees conferred, graduation and retention rates, and efficiency in awarding undergraduate degrees. Specifically, indicators with targets will be as follows:

- Number of bachelor's degrees awarded
- Number of bachelor's degrees awarded in high-demand fields
- Number of advanced degrees awarded
- Six-year graduation rates for first-time, full-time freshman students
- Three-year graduation rates for transfer students with an associate degree from a Washington community college
- Freshman retention rates
- Percentage of bachelor's degrees awarded to students not exceeding 125 percent of the number of credits required for the degree

The institutions also shall report results on each of the above indicators for students receiving Pell grants. Separate targets for Pell grant recipients are not required. The expectation is that results for Pell grant recipients be maintained at or above current levels.

Baccalaureate Institution Target Date Frequency, Phasing

Actual achievements will be monitored annually, and short-term and long-term markers for future performance will be developed for internal planning and monitoring purposes. Although the main emphasis within this accountability system will be placed on the six-year goals, assessment of progress in the accountability framework is not limited to a snapshot once every six years. Each year a new cohort of students is admitted and begins or resumes study. In addition, the framework is intended to encourage continuous improvement.

Interim checkpoints will be included at two- and four-year markers en route to the six-year targets. For the current cycle, the two-year checkpoint will occur at the end of the 2006-07 academic year. The four-year checkpoint will be in 2009, and the six-year target relates to results in 2011. There will be a six-year target added every four years, synchronous with development of the strategic master plan. Each six-year target would be accompanied by two- and four-year interim checkpoints, as shown in the following chart:

Strategic Master Plan Adoption Schedule	Two-Year Interim Checkpoint	Four-Year Interim Checkpoint	Six-Year Target
2004 (December)	2007 (2006-07 AY)	2009	2011
2008	2011	2013	2015
2012	2015	2017	2019

Frame of Reference for Gauging Performance Improvement

A starting point will be calculated for measures with targets; the starting point provides a reference to measure change and improvement over time. The starting point may be described as the year 2000, though it actually would represent the five-year average for results on the indicator from 1998 through 2002, to the extent such data are available. Where these data are not available for these years, data for more recent years may be used.

This approach replaces provisions currently in the framework in which a three-year average is calculated for determining a baseline. It facilitates reporting progress further into the future with reference to a single, fixed starting point.

Target Level Ambition

The priority is the six-year target. It is also recognized that effective interventions may not become evident in data on results until several years after initiating the intervention. Many indicators may not be expected to change with a two-year or even a four-year span. Therefore, two- and four-year interim checkpoints can be maintenance goals. Six-year targets, in general, are expected to be performance improvement targets.

The budgeted enrollment levels and the overall amount of revenue available to an institution have enormous bearing on the level of output and performance improvement that can be achieved. The HECB and OFM intend to be mindful of funding levels when considering whether to approve proposed targets. However, funding is not the sole factor explaining or determining levels of achievement in the system; thus the precise level of ambition reflected in the performance targets should not be determined solely by the precise amount by which revenue has increased or decreased.

It is also recognized that a certain amount of random fluctuation over time should be expected in any performance indicator and that random fluctuations carry no implications for the quality of performance the measure is intended to reflect. The potential for “statistical noise” is always present in any performance measurement. As the framework is implemented, both HECB and OFM intend to be cognizant of the difference between random fluctuations that do not reflect real changes in performance, and actual changes in performance that may be reflected in performance measure achievement data.

Improvements can and should be produced both through higher base funding and through process improvements not tied directly to higher base funding. HECB staff calculates that base revenue for institutions is approximately 2 percent higher in the 2005-07 budget in comparison to the 2003-05 budget. As suggested above, it is assumed that results still can be improved further through changes in management and operations at the institutions. Thus, in general, targets should reflect expectations for improvement in excess of 2 percent in most cases. However, institutions may propose targets below this level with an accompanying rationale addressing circumstances specific to the target, measure, and institution in question.

The HECB and OFM will consider such proposals and their rationales on a case-by-case basis; such proposed targets may be approved if deemed appropriate under the specific circumstance at hand.

- Six-year targets in 2011 for degrees conferred will be expected to improve upon current numbers by a significant amount. The precise magnitude of the increase will be determined through consultations with each institution so as to take into account the unique characteristics and circumstances of each. Six-year targets for 2015 and subsequent cycles should envision further improvement.
- Six-year targets for graduation rates will be expected to improve upon current results. The precise magnitude of the increase will be determined through consultations with each institution so as to take into account the unique characteristics and circumstances of each.
- Maintenance targets for other indicators are acceptable.
- If state FTE enrollment appropriations and tuition revenue combined are reduced from the 2005-07 level, six-year targets could be reduced; if such revenue is increased from the 2005-07 level, six-year targets could be increased.

Targets proposed by institutions will be subject to review and approval by the HECB and OFM. Maintenance levels at checkpoint stages and, in some instances, maintenance level target, are acceptable; however, these target and checkpoint parameters should not be regarded as maximums. Institutions are encouraged to set ambitious yet attainable targets and checkpoint performance levels above the minimum levels described in the framework.

Performance Indicators Without Targets

The accountability system will include several additional performance indicators without associated targets. Results for Pell grant recipients on indicators with targets were mentioned above. Beyond those results, the new framework also would track job placement/employer satisfaction survey data, a more comprehensive graduation rate measure and institution-specific measures. Although these measures will not have targets associated with them, institutions will be required to report results to the HECB, and the board will monitor and report the results.

Job Placement/Employer Satisfaction

The HECB will work with OFM and the institutions to design a brief set of questions that would be intended to generate data concerning job placement and employer satisfaction with recently hired graduates of Washington's public baccalaureate institutions. The feasibility of various methods for collecting the data will be explored. Options may include adding a limited set of additional questions to surveys already being administered by institutions, state agencies or other entities. The goal is to begin collecting such data by the end of the 2006-07 academic year.

In the meantime, institutions will continue to report to the HECB the available data gathered from biennial alumni surveys and will collaborate to generate comparable data across campuses. Targets are not required at this time on the indicator for job placement or graduate school acceptance.

Institutions may propose alternative methodologies if they believe an alternative approach will generate reliable data that is similar across campuses.

Comprehensive Graduation Rates

Graduation rates will continue to be measured in the current manner for first time, full-time freshmen, and for certain transfer students, as defined. In addition, institutions also will begin to report a more comprehensive graduation percentage without targets.

A working definition of this more holistic graduation rate is the combined proportion of undergraduates who earn a bachelor's degree within six years of enrolling with freshman status, within five years of enrolling with sophomore status, within three years of enrolling with junior status, and within two years of enrolling with senior status. This tentative definition is open to refinement following consultation with institutional research and technical staff. The initial purpose of this effort is to ensure that graduation outcomes for as many students as possible are reported. It is presumed that a proportion of the undergraduate student population is not included in either of the two previously described graduation rate measures.

Institution-Specific Indicators

The accountability framework will include up to three institution-specific indicators related to quality. The institutions will retain discretion regarding whether or not targets for such measures will be included. The HECB will include all such indicators, performance results, and targets (if appropriate) in its biennial accountability report to the legislature and governor.

Miscellaneous Provisions

To take institutional schedules into account and monitor the most recent information on results, the deadline for institutions to report results to the HECB and for the HECB to report those results will be delayed by one month, to November 1 and December 1, respectively. The 2006 supplemental operating budget passed by the legislature incorporated this change.

The HECB will explore, in collaboration with the institutions, OFM and legislature, the feasibility of alternative measures for institutional quality for possible future use. An annual conference or forum focusing on best practices should be considered, and if developed, will be regarded as an element of the accountability system.

Wherever appropriate, when the HECB reports on results achieved on measures tracked in the accountability system, aggregated statewide results also would be reported. The purpose is to emphasize system-wide results because that is a more comprehensive perspective than reports limited to institution-specific results alone.

The context section described in the April 2005 accountability framework, as adopted by the board, remains in the framework. That section will include data that describe conditions of higher education in the state, as well as the unique mission and student demographics at each institution. This information will help policymakers understand some of the key factors that influence degree production in the state. For example, if fewer students graduate from high school, then the public baccalaureate institutions will produce fewer baccalaureate degrees. Data reported will include but not be limited to:

- State funding/student FTE
- Degrees earned/college-age population
- Percentage of state funds allocated to higher education
- Financial aid/student FTE (or another affordability measure – such as percentage of family income needed to pay for college)
- Percentage of ninth graders who graduate from high school on time with their class
- College participation rates
- Average WASL scores for tenth graders
- Number of students participating in dual-credit programs (e.g., Running Start)
- Percentage of recent high school graduates requiring remedial education
- Proportion of new students from Washington community colleges (reported separately for each institution)
- Percentage of students earning bachelor's degrees who have earned at least 40 credits from one or more Washington community colleges
- Mission, enrollment by race, ethnicity, average age, gender, origin (e.g., high school and community college), first-generation status, degree-seeking status, Pell grant status, full-time or part-time status, participation in remedial education, and SAT, ACT or other indicator of academic preparedness, where available, at each institution.

Relevant Additional Statutory Provisions Regarding Accountability

A number of provisions in current law are related to the accountability framework. These provisions, which are not directly affected by HECB action on the framework, will be implemented in coordination with the implementation of the framework.

Current statute states, “Based on guidelines prepared by the board, each four-year institution and the State Board for Community and Technical Colleges shall submit a plan to achieve measurable and specific improvements each academic year on statewide and institution-specific performance measures. Plans shall be submitted to the board along with the biennial budget requests from the institutions and the state Board for Community and Technical Colleges.” [RCW 28B.76.270(2)]

The HECB intends to develop guidelines as described above, and to consult with institutions regarding the potential for including summary information regarding the plans in its accountability reports.

The HECB is required under current statute to report on progress toward accountability goals or targets “along with the board’s biennial budget recommendations.” [28B.76.270(4)]

The HECB “shall review actual achievements annually.” [28B.76.270(3)]

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A Revised Accountability Framework

**March 30, 2006
HECB Board Meeting**



Statutory Context

- **HECB “shall establish an accountability monitoring and reporting system”**
- **HECB “shall approve biennial performance targets for each four-year institution and the community and technical college system, and shall review actual achievements annually”
(28B.76.270 RCW)**



Policy Context

2004 Strategic Master Plan

- **2 Goals**
 - o Increase opportunities for students to earn degrees
 - o Respond to the state's economic needs
- **11 Strategic initiatives**
 - o Initiative #10: Promoting student success through greater accountability



Beginnings of Implementation

- **HECB adopted accountability framework April 5, 2005**
- **2005-07 budget (with accountability provisions) adopted May 2005**



Concerns

- Multi-agency oversight
- Differing emphasis among indicators (HECB vs. budget)
- Differing timeframes (biennial vs. 6-year targets)
- Range of indicators blurs focus
- Lack of clarity of state expectations
- Lack of alignment (proposed targets and strategic master plan goals)
- Frequent accountability policy changes
- Consequences of meeting, not meeting targets



Steps in Revision Process

- Extraordinary HECB Education Committee meeting (January 17)
- Work group meetings (OFM, UW, WSU, COP, and SBCTC)
- Legislative staff briefings
- HECB Education Committee meeting (March 16)



Proposed Framework: Measures

- **Indicators with targets**
- **Indicators without targets**
- **Indicators needing further development**
 - o Job placement/employer satisfaction
 - o Comprehensive graduation rates
 - o Successful transfer



Proposed Framework: Timeframes

- **Two-year sector: biennial cycle**
- **Four-year sector**
 - o Six-year targets
 - o Two-year and four-year checkpoints toward targets
 - o New set of targets added every four years



Reporting Results

- HECB will *review* results annually
- HECB will *report* results biennially
- Two- and four-year checkpoints will NOT be used for public reporting/evaluation
- Alternatives for providing meaningful context will be explored



Performance Measures with Targets: Two-year Sector

- Associate degrees
- Ready for transfer*
- Ready for work*
- Gaining Basic Skills*

* Defined by the State Board for Community and Technical Colleges



Performance Measures with Targets: Four-year Sector

- Bachelor's degrees
- High-demand bachelor's degrees
- Advanced degrees
- Graduation rates (6-year, 3-year)
- Freshman retention
- Undergraduate efficiency (125% credits)



Performance Measures without Targets: Four-year Sector

- **Results for Pell grant recipients on all measures with targets**
- **Alumni survey results/job placement**
- **Institution-specific indicators**
- **Comprehensive undergraduate graduation rate**



Target Level Ambition

- **Institution, indicator specific**
- **Subject to negotiation**
- **General parameters of expectations provided**
 - o Connection of funding, output acknowledged (revenue up 2%)
 - o Potential improvement through operations, management acknowledged
 - o Stretch targets: degrees
 - o Improvement targets: graduation
 - o Maintenance targets: retention, efficiency



Future Steps in Process

- **HECB public meeting and presentation (March 30)**
- **Additional institutional, public input**
- **HECB analysis and evaluation of proposed targets**
- **OFM approval**
- **Final adoption by HECB (May 25)**



Additional Future Work

- **Explore means of measuring quality**
- **Consider annual institute of best practices**
- **Investigate potential for incentives attached to targets**

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March 2006

2006 Higher Education Supplemental Operating and Capital Budgets – As Passed the Legislature

Status and Highlights

2006 Supplemental Operating Budget

On March 8, 2006, the Legislature passed a \$1.0 billion supplemental operating budget for the 2005-07 biennium, bringing state spending to \$50.4 billion in total funds for the biennium. Higher education received a little less than \$58.0 million, or 5.7 percent, of the total increase. This represents a 0.7 percent increase in the total 2005-07 higher education budget.

Of the total supplemental budget increase, about half, or \$522.4 million, was general fund–state. Higher education received \$49.5 million, or 9.5 percent. This represents a 1.7 percent increase in general fund–state funding over the 2005-07 general fund–state budget for higher education.

High-demand Enrollments

Higher Education Coordinating Board

The Higher Education Coordinating Board (HECB) received \$900,000 to contract for 80 high-demand full-time equivalent (FTE) slots at \$11,000 per FTE and \$20,000 to manage the competitive process for awarding the FTEs. Only the regional universities and The Evergreen State College are eligible to submit proposals and apply for funding.

The budget defines high-demand fields as “programs where enrollment access is limited and employers are experiencing difficulty finding qualified graduates to fill job openings.” Each institution that receives funding is directed to report to the HECB and the Office of Financial Management (OFM) on the impact of this funding, particularly the “degree of improved access to high-demand programs for students and successful job placements for graduates.”

State Board for Community and Technical Colleges

The State Board for Community and Technical Colleges (SBCTC) received \$1.5 million to fund 187 high-demand FTEs at an average of \$8,000 each. The budget defines high-demand fields as “programs where enrollment access is limited and employers are experiencing difficulty finding qualified graduates to fill job openings.”

The SBCTC must track enrollments, graduation rates, and job placement in each program that receives high-demand enrollments and report on the outcomes by November 1 of each fiscal year to OFM and the fiscal and higher education committees of the Legislature. The budget specifically limits the funding to new enrollments, rather than funding existing student FTE enrollments.

University of Washington

The University of Washington (UW) received \$2.5 million for 150 new high-demand enrollments targeted specifically at degrees in engineering, math, and science:

- Bachelor’s degrees in engineering and science: 100 FTEs funded at \$16,000 per FTE
- Bachelor’s degrees in math: 50 FTEs funded at \$18,000 per FTE

Washington State University

Washington State University (WSU) received funding for high-demand enrollments similar to the funding the UW received. WSU received \$1.17 million for 80 FTEs targeted specifically to degrees in nursing, engineering, and construction management:

- Graduate degrees in nursing: 20 FTEs funded at \$18,000 per FTE
- Bachelor’s degrees in nursing: 20 FTEs funded at \$14,000 per FTE
- Bachelor’s degrees in engineering and construction management: 40 FTEs funded at \$13,300 per FTE

Other Enrollment Funding

WSU received \$250,000 to begin planning for the expansion of lower-division undergraduate student enrollment at WSU Tri-Cities beyond the authority granted during the 2005 session. This would move WSU Tri-Cities closer to becoming a four-year campus serving both lower- and upper-division students. WSU Tri-Cities may begin enrolling lower-division students in a broader range of academic programs beginning in fall 2007.

The SBCTC received almost \$1.4 million in increased funding:

- **\$156,000 for three community and technical colleges to partner with four-year universities to offer bachelor degrees** on the community and technical college campuses. This funding is to serve 120 existing FTEs.
- **\$325,000 to serve 250 existing FTEs at Everett Community College.** The funding implements Substitute House Bill 3113, which responds to the preliminary report on higher education opportunity in the North Snohomish, Island, and Skagit (NSIS) counties region, submitted by Everett Community College to the Legislature on November 30, 2005. If the bill is not enacted by June 30, 2006, the funding lapses.
- **\$904,000 to provide planning and one-time start-up funds for applied baccalaureate degree programs** at four community and technical colleges. These degrees were authorized in Chapter 258, Laws of 2005 (E2SHB 1794).

Student Financial Aid

Higher Education Coordinating Board

The HECB received almost \$1.1 million for three financial aid programs, including:

- **\$75,000 to stabilize GEAR UP** (Gaining Early Awareness and Readiness for Undergraduate Programs) scholarships for students.
- **\$500,000 to contract with Leadership 1000**, which is implemented by the Washington Education Foundation. Funding is provided to support, develop, and implement the scholarship program.
- **\$500,000 to expand the Future Teachers' Conditional Scholarship and Loan Repayment Program** by 70 additional slots. These slots are to be solely for prospective teachers in special education, bilingual education, secondary mathematics, and secondary science.

State Board for Community and Technical Colleges

The SBCTC received \$4.0 million to create the Opportunity Grants Pilot Program. The program is “designed to test strategies for increasing access to postsecondary education for low-income students in job-specific programs.” Grant funds can be used for “tuition, books, fees, and other expenses associated with attending a workforce education program.” Participating students “must be enrolled and maintain satisfactory progress in a program linked to skills standards or industry credentials.” Participating community and technical colleges are required to coordinate

with the HECB regarding those students who also are accessing traditional forms of student financial aid. The SBCTC and HECB will conduct a joint evaluation of the program and submit a report to the Legislature and governor by November 15, 2008.

Program Enhancements

University of Washington

The UW received a little more than \$6.1 million for various program enhancements. They include:

- \$2.4 million for maintenance and operations of the Life Sciences Research building near Lake Union;
- \$2.0 million for maintenance and operations for the Bioengineering and Genome Sciences building, which is expected to open this biennium;
- \$500,000 to create the Department of Global Health, which will focus on identifying and evaluating health problems and inequities among underserved populations and developing and implementing innovative interventions to reduce disease incidences;
- \$400,000 for enhancements to the Pacific Northwest Seismic Network;
- \$300,000 for the Math Engineering Science Achievement (MESA) Washington program; and
- \$100,000 for service delivery enhancements at the Autism Center at UW–Tacoma.

Washington State University

WSU received a little more than \$2.3 million for various program enhancements, including:

- \$800,000 for operational support for the Agricultural Weather Network;
- \$400,000 for the Center for Sustaining Agriculture and Natural Resources to create a Biologically Intensive and Organic Agriculture Program, whose mission is to enhance economic and environmental health of Washington agriculture through research, education, and outreach on organic and other biologically intensive farming methods;
- \$98,000 to establish a Biofuels Consumer Education and Outreach Program at the WSU Extension Energy Program; and
- \$1.0 million for pass-through to “a private, nonprofit medical and scientific research institute to be located in Spokane for the purposes of developing and implementing new medical treatment therapies involving systems biology, genomics, and nanotechnology.” WSU is specifically precluded from retaining any of the money for administrative purposes.

Central Washington University

Central Washington University (CWU) received \$330,000 in general fund–state funding to increase its tuition waiver authority from 8 to 11 percent. This change was accompanied by a reduction of the same amount in the university’s spending authority from the Institutions of Higher Education Operating Fees Account.

Eastern Washington University

Eastern Washington University (EWU) received \$100,000 for the inclusive preschool for children identified with autism spectrum disorder at the Northwest Autism Center.

The Evergreen State College

The Evergreen State College (TESC) received \$360,000 for various programs, including:

- \$260,000 for four studies to be conducted by the Washington Institute for Public Policy (WSIPP), located at TESC;
- \$80,000 to meet the demand for collective bargaining and bargaining unit training at the Labor Research and Education Center; and
- \$20,000 to record and document oral histories of tribal elders of the tribes surrounding Hood Canal and other long-term area residents who are knowledgeable about the history of the conditions along Hood Canal.

Western Washington University

Western Washington University (WWU) received \$900,000 for three items:

- \$400,000 to help coordinate planning efforts related to the university’s expansion to the Bellingham waterfront;
- \$250,000 to establish a Planning and Emergency Management program; and
- \$250,000 to support research projects dealing with border issues at the Border Policy Research Institute.

State Board for Community and Technical Colleges

The SBCTC received almost \$6.2 million for various programs, including:

- \$275,000 for the Transitions Math Project, which aims to address the need to reduce the number of remedial math courses taken at public colleges and universities;
- \$1.0 million to expand the Job Skills Program;
- \$4.6 million to maintain and operate recently constructed state-approved facilities; and
- \$150,000 for the firefighter apprenticeship program at South Seattle Community College.

Compensation

The majority of compensation-related funding went to the SBCTC. The agency received approximately \$5.6 million, which included:

- \$140,000 to raise nursing faculty salaries by \$10,000 each in fiscal year 2007 for a nursing faculty retention and recruitment pilot project at Yakima Valley Community College and another community college on the west side of the state;
- \$1.5 million for both full- and part-time faculty salary increments;
- \$3.2 million for a cost-of-living adjustment mandated by Initiative 732; and
- \$768,000 to implement Second Substitute House Bill 2583, which would maintain uninterrupted health care benefits for part-time academic employees at community and technical colleges. If the bill is not enacted by June 30, 2006, the funding lapses.

Other

The HECB received \$337,000 to pay for recently leased additional office space, as well as an increase in the lease on existing space.

Several bills were also funded in the conference budget, including four bills requiring studies by The Evergreen State College's Washington State Institute for Public Policy, totaling \$424,000. An additional \$3.1 million in funding was also provided for the SBCTC. The bill, Second Substitute Senate Bill 6326, establishes the Washington Customized Employment Training Program to provide training assistance to employers locating or expanding in the state. The budget appropriates slightly more than \$3.0 million from the state general fund for deposit into the Employment Training Finance Account, which is created in the bill, and \$75,000 to create the program at the SBCTC.

2006 Higher Education Supplemental Operating Budget Comparison

March 2006

(dollars in thousands)

			Governor Proposed	As Passed Senate	As Passed House	As Passed Legislature	Notes
2005-07 Enacted Budget (all funds)	\$8,101,095						
Technical Corrections	\$6,052		\$6,740	\$6,740	\$6,740	\$6,740	SBCTC (\$10,000) and WSU (-\$3,260)
Unexpected Energy Costs (one-time costs)	\$14,019		\$1,208	\$4,637	\$3,016	\$3,016	Natural gas cost increases only, funding for FY 2006 only
	Institutions' Requests	HECB Recommendation	Governor Proposed	As Passed Senate	As Passed House	As Passed Legislature	Notes
Allocating Student Enrollments							
Two-Year Enrollments	\$756	\$756	\$756	\$108	\$156	\$156	Increases funding to \$6,300 for 120 existing FTEs; essentially shifts FTEs from lower- to upper-division
Undergraduate	\$0	\$630	\$0	\$150	\$0	\$0	
Graduate	\$0	\$0	\$0	\$0	\$0	\$0	
WSU Tri-Cities Lower-Division Planning Funds	n/a	n/a	n/a	n/a	\$250	\$250	Funding provided as outlined in SHB 2867, but not contingent upon passage of bill
NSIS FTEs (SHB 3113)	n/a	n/a	n/a	n/a	\$325	\$325	Increases funding to \$6,300 for 250 existing FTEs at CTCs; essentially shifts FTEs from CTCs to University Center at Everett
Increasing Enrollments in Specialized Fields							
High-demand/high-need grant program	\$0	\$7,485	\$0	\$3,000	\$3,674	\$6,074	HECB: 80 FTEs funded at \$11,000 each + \$20 for admin; UW: 150 FTEs in engineering, math and science; WSU: 80 FTEs in nursing (undergrad and grad) and engineering and construction management; SBCTC: 187 FTEs funded at \$8,000 average each
Increasing Student Retention and Graduation Rates	\$0	\$8,321	\$0	\$0	\$0	\$0	
Salaries and Benefits							
Classification Revisions	n/a	n/a	(\$135)	(\$158)	(\$158)	(\$158)	Statewide adjustment
Pension Plan 1 Unfunded Liabilities	n/a	n/a	\$5,417	\$5,417	\$5,417	\$5,417	Statewide adjustment
WSU Correction to Pension Funding	n/a	n/a	\$0	\$148	\$148	\$148	
CTC Part-Time Faculty Salaries	\$6,700	\$0	\$0	\$0	\$0	\$0	
CTC Faculty Professional Development/Experience Increments	\$2,400	\$0	\$0	\$1,000	\$2,400	\$1,500	Full-time and part-time faculty
Initiative 732 COLA	n/a	n/a	\$2,964	\$3,239	\$3,239	\$3,239	SBCTC only
SBCTC Nursing Faculty Pilot	n/a	n/a	\$0	\$140	\$0	\$140	
Part-time Healthcare Benefits at CTCs (2SHB 2583)	n/a	n/a	n/a	n/a	\$768	\$768	
HECB Retirement Annuity	\$191	\$191	\$0	\$0	\$0	\$0	

2006 Higher Education Supplemental Operating Budget Comparison (continued)
March 2006
(dollars in thousands)

	Institutions' Requests	HECB Recommendation	Governor Proposed	As Passed Senate	As Passed House	As Passed Legislature	Notes
Expanding Student Financial Aid							
GEAR UP Scholarships	\$2,520	\$2,520	\$75	\$75	\$75	\$75	Bill language allows transfer of unexpended Promise, then SNG
Future Teacher Conditional Scholarships	\$0	\$1,000	\$0	\$1,022	\$644	\$511	Priority to be placed on prospective teachers in special education, bilingual education, mathematics, and science; not linked to any
Leadership 1000 Scholarships	n/a	n/a	n/a	\$500	\$500	\$500	Pass-thru only to Washington Education Foundation
Opportunity Grants (E2SHB 2630)	n/a	n/a	n/a	n/a	\$5,075	\$0	
Opportunity Grants Pilot Program	n/a	n/a	n/a	n/a	n/a	\$4,075	Funded as stand-alone pilot program; program based at SBCTC; \$4,000 for program; \$75 to work with nonprofit organization
Special Program Improvements							
Accommodating Students with Disabilities	\$2,735	\$0	\$0	\$0	\$0	\$0	
UW Improve Disaster Response Capabilities	\$2,500	\$0	\$0	\$0	\$0	\$0	
UW Improve Undergraduate Retention and Graduation Rates	\$2,000	\$0	\$0	\$0	\$0	\$0	
UW Pacific NW Seismic Network	\$400	\$0	\$400	\$180	\$400	\$400	
UW Burke Museum Educational Programs	n/a	n/a	n/a	\$150	\$150	\$150	
UW Math Engineering Science Achievement (MESA) Outreach	n/a	n/a	n/a	\$500	\$0	\$300	
UW People of Color Curriculum Review	n/a	n/a	n/a	n/a	\$125	\$125	
UW Washington Search for Young Scholars	n/a	n/a	n/a	n/a	\$150	\$150	
WSU Local Government Publication	n/a	n/a	n/a	\$10	\$5	\$5	
WSU Biofuels Energy Extension Program	n/a	n/a	n/a	n/a	\$0	\$98	Passed Appropriations, but moved to CTED on House floor
UW/WSU Coordinated Technology Transfer	\$850	\$0	\$0	\$0	\$0	\$0	
UW/WSU Policy Consensus Center	\$400	\$0	\$200	\$0	\$200	\$0	
Autism	n/a	n/a	n/a	\$200	\$0	\$200	UW-Tacoma Autism Center (\$100), EWU Northwest Autism Center (\$100)
CWU Tuition Waiver Authority	\$0	\$0	\$0	\$0	\$0	\$0	Replaces tuition revenue with GF-S (CWU requested \$1,314; funded \$330)
Washington State Institute for Public Policy (WSIPP) Studies (at TESC)	n/a	n/a	n/a	\$170	\$30	\$260	Education cost-benefit study (\$125), hearing impaired students (\$55), remediation programs study (\$50), children's mental health pilots (\$30)
TESC Labor Research and Education Center	n/a	n/a	n/a	n/a	\$80	\$80	
TESC Hood Canal Oral Histories	n/a	n/a	n/a	n/a	n/a	\$20	
WWU Planning for Waterfront Expansion	\$1,590	\$0	\$0	\$0	\$400	\$400	
WWU Planning & Emergency Management Program Track	\$250	\$0	\$0	\$0	\$250	\$250	
CTC Digital Libraries	\$1,400	\$0	\$0	\$0	\$1,400	\$0	
Start-Up Funding for CTC Applied Baccalaureates	\$904	\$904	\$904	\$400	\$904	\$904	
SBCTC Transitions Math Project	n/a	n/a	n/a	\$550	\$0	\$275	
SBCTC Job Skills Program	n/a	n/a	n/a	\$1,000	\$0	\$1,000	
SBCTC Firefighter Apprenticeship Program	n/a	n/a	n/a	n/a	\$150	\$150	Program at South Seattle Community College
SBCTC Healthcare Partnerships	n/a	n/a	n/a	n/a	\$150	\$150	

2006 Higher Education Supplemental Operating Budget Comparison (continued)
March 2006
(dollars in thousands)

	Institutions' Requests	HECB Recommendation	Governor Proposed	As Passed Senate	As Passed House	As Passed Legislature	Notes
Maintenance and Operations							
Institutions	\$13,307	\$0	\$8,125	\$8,095	\$11,495	\$10,095	UW: \$2,400 for Life Sciences building and \$2,000 for Bioengineering and Genome Sciences building; SBCTC: \$5,194;
HECB Lease Increase	\$337	\$337	\$338	\$337	\$337	\$337	Final budget funds less GF-S/more GET funds than HECB or governor
SmartBuy	n/a	n/a	(\$3,616)	\$0	\$0	\$0	Statewide adjustment; OFM directed to make allotment reductions to appropriate state agencies, rather than reducing agency budgets individually; SBCTC specifically exempted
Central Service Agency Charges	n/a	n/a	\$163	\$163	\$163	\$163	Statewide adjustment
Helping Transfer Students Earn Baccalaureate Degrees	\$1,641	\$1,641	\$0	\$0	\$0	\$0	
Measuring Student Success with Improved Data System	\$152	\$152	\$0	\$0	\$0	\$0	
Research							
UW "E-Science Institute"	\$3,000	\$0	\$0	\$0	\$0	\$0	
UW Global Health Initiative	\$2,000	\$0	\$0	\$500	\$2,000	\$500	
WSU Agricultural Weather Network	\$800	\$0	\$0	\$800	\$800	\$800	
WSU Biologically Intensive & Organic Agriculture	\$800	\$0	\$0	\$0	\$800	\$400	
WSU Life Sciences Research	n/a	n/a	n/a	\$1,000	\$1,000	\$1,000	Pass-thru only
WWU Border Policy Research Institute	\$375	\$0	\$0	\$0	\$0	\$250	
Funding for Bills							
4SHB 1483 (investing in youth program)	n/a	n/a	n/a	n/a	\$40	\$40	WSIPP at TESC
2SHB 2002 (foster care support services)	n/a	n/a	n/a	n/a	\$61	\$61	WSIPP at TESC
2SHB 2582 (high school completion program)	n/a	n/a	n/a	n/a	n/a	\$0	SBCTC; proviso says current GF-S appropriation sufficient to implement bill
ESSB 5551 (minimum wage study)	n/a	n/a	n/a	\$150	\$0	\$0	
SSB 6192 (solar electric generation)	n/a	n/a	n/a	\$160	\$0	\$0	
E2SSB 6239 (controlled substances and methamphetamine)	n/a	n/a	n/a	\$48	\$0	\$48	WSIPP at TESC
2SSB 6326 (customized workforce)	n/a	n/a	n/a	n/a	n/a	\$6,225	SBCTC; \$75 to implement bill; \$3,075 GF-S to deposit into Employment Training Finance Account (remaining \$3,075 is authority to spend funds deposited into ETFA)
SSB 6605 (education interpreters for hearing impaired students)	n/a	n/a	n/a	\$55	\$0	\$0	
SSB 6618 (high school assessment system)	n/a	n/a	n/a	\$275	\$0	\$275	WSIPP at TESC
Total Increase	\$68,079	\$23,937	\$23,539	\$40,761	\$53,359	\$57,887	
Total Operating Funds	\$8,169,174	\$8,125,032	\$8,124,634	\$8,141,856	\$8,154,454	\$8,158,982	
Percentage increase over 2005-07 enacted	0.8%	0.3%	0.3%	0.5%	0.7%	0.7%	
Transportation Budget Request							
WWU Purchase of Lincoln Creek Transportation Center	\$3,000	\$0	\$0	\$0	\$0	\$0	
Total Transportation Funds	\$3,000	\$0	\$0	\$0	\$0	\$0	

2006 Higher Education Supplemental Operating Budget - As Passed the Legislature

March 2006

(dollars in thousands)

	Total	UW	WSU	CWU	EWU	TESC	WWU	SBCTC	HECB
2005-07 Expenditure Authority	\$8,101,095	\$3,774,690	\$993,508	\$214,410	\$181,700	\$102,083	\$292,378	\$2,120,064	\$422,262
Supplemental Maintenance Changes	\$11,560		(\$2,611)					\$13,834	\$337
Supplemental Policy Changes									
High-Demand Enrollments*	\$2,400							\$1,500	\$900
Math and Science Enrollments*	\$3,674	\$2,500	\$1,174						
Applied BA and Co-Location Costs*	\$1,060							\$1,060	
WSU Tri-Cities Lower-Division Planning Funds*	\$250		\$250						
Consortium University Contracts (SHB 3113)*	\$325							\$325	
GEAR UP Stabilization**	\$75								\$75
Leadership 1000 Scholarships*	\$500								\$500
Future Teacher Scholarships*	\$511								\$511
Pension Plan 1 Unfunded Liabilities	\$5,417	\$2,892	\$427	\$110	\$124	\$77	\$191	\$1,556	\$40
Central Service Agency Charges	\$163	\$23	\$23	\$21	\$22	\$9	\$22	\$25	\$18
Classification Revisions	(\$158)	(\$139)	(\$249)	\$2	\$12	\$19	(\$2)	\$199	
Utility Rate Adjustments*	\$3,016	\$1,008	\$716	\$206	\$158	\$69	\$98	\$761	
Bioengineering and Genome Sciences buildings O&M*	\$2,000	\$2,000							
Pacific Northwest Seismic Network*	\$400	\$400							
Life Sciences Research*	\$3,400	\$2,400	\$1,000						
UW - Tacoma Autism Center*	\$100	\$100							
Northwest Autism Center*	\$100				\$100				
Global Health Initiative*	\$500	\$500							
Burke Museum Educational Programs*	\$150	\$150							
Math Engineering Science Achievement (MESA) Outreach*	\$300	\$300							
WA Search for Young Scholars*	\$150	\$150							
People of Color Curriculum Review*	\$125	\$125							
Agricultural Weather Network*	\$800		\$800						
Biologically Intensive and Organic Agriculture*	\$400		\$400						
Biofuels Energy Extension Program*	\$98		\$98						
Local Government Publication*	\$5		\$5						

2006 Higher Education Supplemental Operating Budget – As Passed the Legislature (continued)

March 2006
(dollars in thousands)

	Total	UW	WSU	CWU	EWU	TESC	WWU	SBCTC	HECB
Tuition Waiver*	\$0			\$0					
Education Cost-Benefit Study*	\$125					\$125			
Foster Care to Age 21 Study (2SHB 2002)*	\$61					\$61			
Hood Canal Oral Histories*	\$20					\$20			
Remediation Programs Study*	\$50					\$50			
Hearing Impaired Students*	\$55					\$55			
High School Assessment System (SSB 6618)*	\$275					\$275			
Children's Mental Health Pilots*	\$30					\$30			
Studies on Controlled Substances (E2SSB 6239)*	\$48					\$48			
Labor Research and Education Center*	\$80					\$80			
Reinvesting in Youth Program (4SHB 1483)*	\$40					\$40			
Expansion to Bellingham Waterfront*	\$400						\$400		
Planning and Emergency Management Program*	\$250						\$250		
Border Policy Research Institute*	\$250						\$250		
Facilities Maintenance	\$4,599								\$4,599
Transitions Math Project*	\$275								\$275
Opportunity Grants Pilot Program*	\$4,075								\$4,075
Job Skills Program*	\$1,000								\$1,000
Customized Workforce Training (2SSB 6326)	\$6,225								\$6,225
Nursing Faculty Pilot*	\$140								\$140
Faculty Salary Increments*	\$1,500								\$1,500
Firefighter Apprenticeship Program*	\$150								\$150
Healthcare Partnerships*	\$150								\$150
Part-time Health Benefits (2SHB 2583)*	\$768								\$768
High School Completion Program (2SHB 2582)*	\$0								\$0
Subtotal	\$57,887	\$12,409	\$2,033	\$339	\$416	\$958	\$1,209	\$38,142	\$2,381
Total Proposed Budget	\$8,158,982	\$3,787,099	\$995,541	\$214,749	\$182,116	\$103,041	\$293,587	\$2,158,206	\$424,643
Difference	\$57,887	\$12,409	\$2,033	\$339	\$416	\$958	\$1,209	\$38,142	\$2,381
Percent Change from Current Biennium	0.7%	0.3%	0.2%	0.2%	0.2%	0.9%	0.4%	1.8%	0.6%
* Provisoed									
** Provisoed as one-time funding									
FTEs	504	150	112				(25)	187	80

2006 Supplemental Capital Budget

On March 8, 2006, the Legislature passed a \$277.78 million supplemental capital budget for the 2005-07 biennium, following adoption of the conference committee report. State bonds account for \$143,864,000 of the total budget.

Of that total, higher education received \$30.269 million in Gardner-Evans bonds. Additional funding of \$4.5 million from the State Toxics Control Account brings the total higher education funding in the 2006 supplemental budget to \$34.769 million. The supplemental budget will increase the 2005-07 total biennial capital appropriation for higher education to \$956.632 million.

Highlights of the new projects approved by the Legislature include:

- \$4.5 million in funds to renovate More Hall Annex, allowing a shift in funding to construct the Nanotechnology Lab at the University of Washington, Seattle campus;
- \$4.0 million for acquisition of land at the University of Washington, Tacoma campus;
- \$10.0 million for design and related activities for the Technology/Life Sciences 2 building at Washington State University in Pullman; the remaining \$53 million will be requested in the 2007-09 biennial budget cycle;
- \$400,000 for two project predesigns at Eastern Washington University: Patterson Hall Remodel and Martin Williamson Renovation;
- \$1.88 million for chiller replacement at Central Washington University;
- \$4.25 million to settle construction claims on the Seminar II building project at The Evergreen State College;
- \$3.84 million for an Undergraduate Education Center at Everett Community College, which will be part of a building currently under design;
- \$1.95 million for a water system replacement at Green River Community College;
- \$1.7 million for a primary power branch replacement project at Highline Community College;
- \$268,000 for Maritime Academy repairs at Seattle Central Community College;

- \$325,000 in additional funding for the Science Building replacement project at Skagit Valley College;
- \$1.63 million for fire loop replacement at Skagit Valley College; and
- \$14.0 million in alternative financing for three projects:
 - Edmonds Community College Bookstore and Student Center (\$8.5 million)
 - Columbia Basin College Health Science Center in Pasco (\$3.0 million)
 - Lincoln Creek Transportation Center in Bellingham for Western Washington University (\$2.59 million)

Summary Comparison Table

The table on pages 15 and 16 summarizes the 2006 supplemental capital budget and compares the institutions' requests to the HECB recommendation, the governor's proposed budget, and the enacted budget.

Gardner-Evans Bonds Authorization Status

In 2002, former governors Gardner and Evans, in consultation with the higher education community, developed and presented a plan to add \$1.4 billion over a 10-year period to higher education capital spending. The additional funds were to be used to address building preservation needs and to provide new capacity.

In response to the Gardner-Evans "Higher Education Leadership Project" (HELP) proposal, the 2003 governor and Legislature enacted Engrossed Substitute Senate Bill (ESSB) 5908, the "Building Washington's Future Act." The legislation authorized the State Finance Committee to issue, subject to legislative appropriation, approximately \$750 million in general obligation bonds over three biennia, beginning in 2003-05, to provide additional capital funding for higher education.

As stated in the Act, the Legislature's intent in adopting ESSB 5908 was that:

"(The) new source of funding not displace funding levels for the capital and operating budgets of the institutions of higher education. It is instead intended that the new funding will allow the institutions, over the next three biennia, to use the current level of capital funding to provide for many of those urgent preservation, replacement, and maintenance needs that have been deferred. This approach is designed to maintain or improve the current infrastructure of our institutions of higher education, and simultaneously to provide new instruction and research

capacity... This new source of funding may also be used for major preservation projects that renovate, replace, or modernize facilities to enhance capacity/access by maintaining or improving the usefulness of existing space for important instruction and research programs.”

The chart below shows the appropriation history of the Gardner-Evans bond authorization, including expenditures from the fund source by budget and the remaining amount of the authorization.

Gardner-Evans Appropriation History

2003 Authorization	\$750,000,000
2003-05 Biennial Budget	(\$170,090,056)
2004 Supplemental Budget	(\$111,209,761)
2005-07 Biennial Budget	(\$233,763,957)
2006 Supplemental Budget	(\$30,269,000)
Total Appropriations	(\$545,332,774)
Balance	<u>\$204,667,226</u>

2006 Higher Education Supplemental Capital Budget Comparison
March 2006

	Institutional Request	HECB Recommended	Governor Proposed	As Passed Legislature
HECB No capital requests	\$0	\$0	\$0	\$0
UW				
Nanotechnology Research Recruitment	\$4,500,000	*	\$0	\$4,500,000
Undergraduate Chemistry Laboratory Remodels	\$3,000,000	*	\$0	\$0
Biological Structures Federal Grant Match	\$4,000,000	*	\$0	\$0
Magnuson Health SciComplex H-Wing Renovation	\$4,000,000	*	\$0	\$0
Replace Earthquake Damaged Library Shelving	\$2,650,000	\$2,650,000	\$0	\$0
Friday Harbor Dock Replacement	\$2,000,000	*	\$0	\$0
UW Emergency Operations Center	\$1,000,000	*	\$0	\$0
UW Tacoma Land Acquisition and Soil Remediation	\$4,700,000	\$4,700,000	\$0	\$4,000,000
Release of Restoration Phase II Design Funds	\$0	\$0	\$0	\$0
<i>UW Total</i>	<i>\$25,850,000</i>	<i>\$7,350,000</i>	<i>\$0</i>	<i>\$8,500,000</i>
WSU				
Minor Works - Facility Preservation	\$0	\$0	\$0	\$0
WSU Pullman - Biotechnology/Life Sciences 2				\$10,000,000
CWU				
Replace chiller	\$2,000,000	\$2,000,000	\$1,880,000	\$1,880,000
EWU				
Patterson Hall Renovation (pre-design/design)	\$2,000,000	*	\$0	\$200,000
Martin-Williamson Hall Remodel (pre-design/design)	\$2,000,000	*	\$0	\$200,000
Authorize Sale of Spokane property; Riverpoint use	n/a	n/a	n/a	\$0
<i>EWU Total</i>	<i>\$4,000,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$400,000</i>
TESC				
Seminar II	n/a	n/a	n/a	\$4,250,000

2006 Higher Education Supplemental Capital Budget Comparison (continued)
March 2006

	Institutional Request	HECB Recommended	Governor Proposed	As Passed Legislature
WWU				
Planning - Campus Expansion to Bellingham Waterfront	\$0	\$0	\$1,000,000	operating budget
SBCTC				
Everett CC Undergraduate Education Center	n/a	n/a	n/a	\$3,844,000
Green River Campus Water System	\$1,951,000	*	\$0	\$1,951,000
Highline West Primary Power Feed Branch	\$1,717,000	\$1,717,000	\$0	\$1,717,000
Seattle Central Maritime Academy Repairs (renamed)	\$1,856,000	*	\$0	\$268,000
Skagit Valley Campus Fire Loop	\$1,634,000	*	\$0	\$1,634,000
Skagit Valley College Science Building Replacement	n/a	n/a	n/a	\$325,000
Inflation Reserve Account	\$3,000,000	\$3,000,000	\$0	\$0
<i>SBCTC Total</i>	<i>\$8,207,000</i>	<i>\$4,717,000</i>	<i>\$0</i>	<i>\$9,739,000</i>
GRAND TOTAL	\$40,057,000	\$14,067,000	\$2,880,000	\$34,769,000

Items Not Included in Total:

WSU	COP Authority for Biotechnology Life Sciences Building	\$63,000,000	\$63,000,000	\$63,000,000	no
WWU	Lincoln Creek transportation center	n/a	n/a	n/a	\$2,950,000
SBCTC					
	Bellevue CC North Center Bldg Purchase (withdraw)	-\$20,000,000	-\$20,000,000	-\$20,000,000	-\$20,000,000
	Clark College Corporate Education Center (revise scope of previously authorized COP)	\$9,100,000	\$9,100,000	\$9,100,000	\$9,100,000
	Edmonds Student Union and Bookstore (students voted self-assessment)	\$8,500,000	\$8,500,000	\$8,500,000	\$8,500,000
	Walla Walla (revise scope of previously authorized project)	\$0	\$0	\$0	\$0
	Columbia Basin College (Richland health services center)	n/a	n/a	n/a	\$3,000,000

* While not addressing unanticipated or emergent needs, the HECB recognized these projects to have significant merit and deserve consideration for funding by the governor and Legislature.

n/a = Project request not made at this stage in the budget process.



March 2006

Proposed Changes to State Rules – State Need Grant and State Work Study Programs

Overview

Board staff are proposing amendments to state rules for the State Need Grant and State Work Study programs to reflect recent changes in state law.

Public hearings on the proposed rule changes are scheduled for May 23 at the Higher Education Coordinating Board office in Olympia. The board will be asked to consider adoption of the new rules at the July 27 board meeting. Following, is a summary of the proposed rules changes. An annotated copy of the proposed language is included in Appendix A.

Highlights of the Proposed Rules Changes

State Need Grant Program

- Allow students participating in a less-than-half-time state pilot program to qualify for the grant while enrolled in only four or five credits. The grant value would be equal to one-quarter of the award for full-time students.
- Exempt students participating in the pilot program from having to be officially enrolled in a degree program.
- Make the award amount for community college students enrolled in an applied bachelor's degree program equal to the award amount for students enrolled at a public comprehensive university.
- Assure that unexpended or recaptured grant funds are used for youths who previously participated in the state's foster care program. This amendment would effectively guarantee that needy former foster youth would receive the award.

State Work Study Program

- Give priority in funding to youth who previously participated in the state's foster care program.

State Need Grant Program (WAC 250-20)

House Bill 1345: Pilot Program for students attending less than half-time

House Bill 1345, enacted into law in 2005, permitted students at a limited number of colleges to receive the State Need Grant award while enrolled for four or five credits per term. The pilot program for students attending college less than half-time grew out of the board's proposal in the *2004 Strategic Master Plan for Higher Education* to develop a student aid program for low-income workers. The pilot program ends June 30, 2007.

The proposed rules change would allow students participating in the pilot program to receive a grant while enrolled in only four or five credits. The grant value would be equal to one-quarter of the regular full-time award. Current rules define part-time enrollment as between six and eleven credits per term.

In addition, board staff are proposing an amendment that would permit students enrolled in the pilot program to receive the grant for up to one year before being required to matriculate into a degree program. Staff at the nine participating colleges and universities report that the matriculation requirement is a barrier to serving these students. Many low-income students enroll for fewer than six credits because they are new to college, unsure of their academic direction, and exploring what higher education has to offer. Enrollment in a degree program is required for all other State Need Grant recipients.

After consultation with the board's student assistance subcommittee, board staff have sent the participating pilot schools a "safe harbor" guidance memo, permitting them to begin awarding grants to non-matriculated students who are enrolled less than half-time.

House Bill 1794: Pilot program for applied bachelor's degrees

Engrossed Second Substitute House Bill 1794 (E2SHB), enacted in 2005, authorized community or technical colleges to offer bachelor's degrees to students through a pilot program. Beginning in fall 2006, four community or technical colleges will begin preparing for students entering fall of 2007. Students pursuing the applied bachelor's degrees at the two-year public colleges will pay the same tuition as students attending the public comprehensive universities.

Since the maximum State Need Grant award is based on public sector tuition, board staff are proposing a change in rules regarding one award amount per sector. The change would allow the State Need Grant award for community college students enrolled in applied bachelor's programs to equal the State Need Grant award for students enrolled at the public comprehensive universities.

The proposed amendment permitting a second award amount in a sector would affect only community college students enrolled in the state pilot program. It would not extend to students in any other sector.

House Bill 1079: Funding Priority for Former Foster Youth

Engrossed Substitute House Bill 1079 (ESHB 1079), also enacted in 2005, made former foster youth a priority for State Need Grant funds. Under the proposed amendment, any unexpended or recaptured State Need Grant funding would be used to meet the State Need Grant eligibility of former foster youth.

State Work Study Program (WAC 250-40)

The 2005 legislature through ESHB 1079 made former foster youth a priority for State Work Study funding. The proposed rules would give priority in funding to youth who previously participated in the state's foster care program.

State Need Grant

WAC 250-20-011**Student eligibility.**

For a student to be eligible for a state need grant he or she must:

(1) Be a "needy student" as determined by the higher education coordinating board in accordance with RCW [28B.10.802](#). ~~These students must also meet the "income cutoff", be a "former foster youth" or be a "disadvantaged student", who has completed a board-approved program designed to promote early awareness of, and aspiration to, higher education.~~

(2) Be a resident of the state of Washington in accordance with RCW [28B.15.012](#) (2)(a) through (d).

(3) Be enrolled or accepted for enrollment as an undergraduate student at a participating postsecondary institution or be a student under an established program designed to qualify him or her for enrollment as a full-time student at a postsecondary institution in the state of Washington.

(a) For purposes of need grant eligibility, the student must be enrolled, at time of disbursement, in a course load of at least six credits per quarter or semester or, in the case of institutions which do not use credit hours, in a program of at least six hundred clock hours requiring at least twelve clock hours of instruction per week.

(b) A student enrolled less than half time may not receive this grant for the term in question ~~(except as specified in WAC 250-20-021 Less-Than-Halftime Pilot Project)~~, but is eligible for reinstatement or reapplication for a grant upon return to at least a half-time status. Correspondence courses may not comprise more than one-half of the student's minimum credit load for which aid is being considered.

(c) Have a high school diploma or its equivalent. Equivalent standards include a general education development certificate, a certificate of completion of a home study program recognized by the student's home state. For a student without a high school diploma or its equivalent, he or she must pass a federally recognized ability-to-benefit test as is required for the receipt of federal student aid.

(4) Maintain satisfactory progress as defined in WAC [250-20-021](#)(19).

(5) Not be pursuing a degree in theology.

(6) Not have received a state need grant for more than the equivalent of ten full-time semesters or fifteen full-time quarters or equivalent combination of these two, nor exceed one hundred twenty-five percent of the published length of time of the student's program. A student may not start a new associate degree program as a state need grant recipient until at least five years have elapsed since earning an associate degree as a need grant recipient, except that a student may earn two associate

Clarifies that the eligible student must demonstrate financial need as well as meet at least one of three other criteria:

1. Income cutoff
2. be a former foster youth
3. be a disadvantaged student

Acknowledges the exception for the less-than halftime pilot project.

<p>degrees concurrently. A student shall be deemed to have received an associate degree as a state need grant recipient if the student received state need grant payments in more than three quarters, two semesters, or equivalent clock hours while pursuing an associates degree. Upon receipt of a bachelor's degree <u>or its foreign equivalent</u>, a student is no longer eligible.</p> <p>(7) Have <u>submitted the Free Application for Federal Student Aid to receive consideration for</u> made a bona fide application for a Pell grant.</p> <p>(8) Certify that he or she does not owe a refund <u>or repayment</u> on a state need grant, a Federal Pell Grant or a Federal Supplemental Educational Opportunity Grant, and is not in default on a loan made, insured, or guaranteed under the Federal Family Education Loan Program, the Federal Perkins Loan Program, or the Federal Direct Student Loan Program.</p>	<p>In accordance with federal guidelines, this clarifies that a student who has received a baccalaureate degree is ineligible for the grant.</p> <p>Clarifies that the manner in which a student applies for the federal Pell grant is through the FAFSA.</p> <p>Clarifies that students who owe a repayment on other state or federal aid are ineligible for the grant until the repayment obligation has been satisfied.</p>
<p>WAC 250-20-013</p> <p>Institutional eligibility.</p> <p>(1) For an otherwise eligible student to receive a state need grant, he or she must be enrolled in an eligible program at a postsecondary institution approved by the higher education coordinating board for participation in the state need grant program <u>(except as specified in WAC 250-20-021 Less-Than-Halftime Pilot Project)</u>. To be eligible to participate, a postsecondary institution must:</p> <p>(a) Be a public university, college, community college, or vocational-technical institute operated by the state of Washington, or any political subdivision thereof, or any other university, college, school or institute in the state of Washington offering instruction beyond the high school level with full institutional accreditation by an accrediting association recognized by rule of the board.</p> <p>(b) Participate in the federal Title IV student financial aid programs, including, at a minimum, the Federal Pell Grant program.</p> <p>(2) In addition, a for-profit institution must:</p> <p>(a) Be certified for participation in the federal Title IV student financial aid programs. A for-profit institution that is provisionally certified for participation in the federal Title IV student financial aid programs due to its failure to meet the factors of administrative capability or financial responsibility as stated in federal regulations, or whose participation has been limited or suspended, is not eligible to participate in the state need grant program until its full eligibility has been reinstated.</p> <p>(b) Demonstrate to the satisfaction of the board that it is capable of properly administering the state need grant program. In making a determination of administrative capability, the board will consider such factors as the adequacy of staffing levels, staff training and experience in administering student financial aid programs, standards of administrative capability specified for purposes of federal Title IV program eligibility, its student withdrawal rate, its federal student loan cohort default rate, and such other factors as are reasonable. In determining the administrative capability of participating institutions, the</p>	<p>Acknowledges the exception created by the less-than-halftime pilot project.</p>

board will also consider the institution's compliance with state need grant program regulations and guidelines.

(c) Demonstrate to the satisfaction of the board that it has the financial resources to provide the services described in its official publications and statements, provide the administrative resources necessary to comply with program requirements, and that it meets the financial responsibility standards for participation in the federal Title IV programs.

(d) Renew its eligibility each year under these standards.

(3) Nothing in this section shall prevent the board, in the exercise of its sound discretion, from denying eligibility or terminating the participation of an institution which the board determines is unable to properly administer the program or to provide advertised services to its students.

WAC 250-20-021

Program definitions.

(1) The term "needy student" shall mean a post-high school student of an institution of postsecondary education who demonstrates to the higher education coordinating board the financial inability, either parental, familial, or personal, to bear the total cost of education for any semester or quarter. The determination of need shall be made in accordance with federal needs analysis formulas and provisions as recognized and modified by the board.

(2) The term "disadvantaged student" shall mean a student who by reasons of adverse cultural, educational, environmental, experiential, or familial circumstance is unlikely to aspire to, or enroll in, higher education. Generally, this shall mean a dependent student whose parents have not attained a college education and/or whose family income is substantially below the state's median or has participated in a means tested early awareness program designed to qualify him or her for enrollment as a fulltime student at a postsecondary institution in the state of Washington.

(3) The term "postsecondary institution" shall mean:

(a) Any public university, college, community college, or vocational-technical institute operated by the state of Washington political subdivision thereof, or any other university, college, school or institute in the state of Washington offering instruction beyond the high school level which is a member institution of an approved accrediting association.

(b) If such institution agrees to participate in the program in accordance with all applicable rules and regulations.

(c) Any institution, branch, extension or facility operating within the state of Washington which is affiliated with an institution operating in another state must be a separately accredited member institution of an approved accrediting association.

(d) The separate accreditation requirement is waived for branch campuses of out-of-state institutions if the branch campus:

Clarifies the definition of the disadvantaged student. This definition is used to permit certain TRIO and Gear-Up students to qualify for the grant.

<p>(i) Is eligible to participate in federal student aid programs; and</p> <p>(ii) Has operated as a nonprofit college or university delivering on-site classroom instruction for a minimum of twenty consecutive years within the state of Washington; and</p> <p>(iii) Has an annual enrollment of at least seven hundred full-time equivalent students.</p> <p>(4) The term "approved accrediting association" shall mean the following organizations:</p> <p>(a) Northwest Association of Schools and Colleges;</p> <p>(b) Middle States Association of Colleges and Schools, Commission on Higher Education;</p> <p>(c) New England Association of Schools and Colleges;</p> <p>(d) North Central Association of Colleges and Schools;</p> <p>(e) Southern Association of Colleges and Schools;</p> <p>(f) Western Association of Schools and Colleges;</p> <p>(g) Accrediting Bureau of Health Education Schools;</p> <p>(h) Accrediting Council for Continuing Education and Training;</p> <p>(i) Accrediting Commission of Career Schools and Colleges of Technology;</p> <p>(j) Accrediting Council for Independent Colleges and Schools;</p> <p>(k) National Accrediting Commission of Cosmetology Arts and Sciences.</p> <p>(5) "Washington resident" shall be defined as an individual who satisfies the requirements of RCW 28B.15.012 (2)(a) through (d) and board-adopted rules and regulations pertaining to the determination of residency.</p> <p>(6) "Dependent student" shall mean any post-high school student who does not qualify as an independent student in accordance with WAC 250-20-021(6).</p> <p>(7) "Independent student" shall mean any student who qualifies as an independent student for the receipt of federal aid. These qualifications include a student who has either:</p> <p>(a) Reached his or her twenty-fourth birthday before January 1st of the aid year; or,</p> <p>(b) Is a veteran of the U.S. Armed Forces; or,</p> <p>(c) Is an orphan or ward of the court; or,</p> <p>(d) Has legal dependents other than a spouse; or,</p>	
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<p>(e) Is a married student or a graduate/professional student; or,</p> <p>(f) Is determined to be independent for the receipt of federal aid on the basis of the professional judgment of the aid administrator.</p> <p>(8) Definitions of "undergraduate students" will be in accord with definitions adopted for institutional use by the board.</p> <p>(9) "Student budgets" <u>are determined by institutions and approved by the Board. The student budget shall</u> consist of that amount required to support an individual as a student for nine months and may take into consideration cost factors for maintaining the student's dependents. This should be the amount used to calculate the student's total need for all state and federal funds.</p> <p>(10) "State need grant cost-of-attendance" is the standard student cost per sector, as developed by the board.</p> <p>(a) The costs-of-attendance for each sector are calculated by adding together a standard maintenance allowance for books, room, board, transportation and personal items, for all undergraduate students statewide as developed by the Washington Financial Aid Association, and the sector's regular tuition and fees for full-time, resident, undergraduate students.</p> <p>(b) In no case may the costs-of-attendance exceed the statutory ceiling established by RCW 28B.92.808(4)<u>92.060</u>. The ceiling is calculated by adding together the same standard maintenance allowance used in determining the state need grant cost-of-attendance, plus the regular tuition and fees charged for a full-time resident undergraduate student at a research university, plus the current average state appropriation per student for operating expenses in all public institutions.</p> <p>(c) For example, in the 1992-93 academic year, the value of the statutory ceiling is \$13,783. This value is composed of the Washington Financial Aid Association's maintenance budget of \$6,964, plus the regular tuition and fees charged for a resident undergraduate student at a research university of \$2,274, plus the current average state appropriation per student for operating expenses in all public institutions of \$4,545.</p> <p>(d) The value of each element used in the construction of the statutory ceiling will be updated annually.</p> <p>(e) The higher education coordinating board will consult with appropriate advisory committees and the representative association of student financial aid administrators, to annually review and adjust the costs-of-attendance. The costs-of-attendance for each sector will be published concurrent with annual guidelines for program administration.</p> <p>(11) "Family income" is the student's family income for the calendar year prior to the academic year for which aid is being requested.</p> <p>(a) Income means adjusted gross income and nontaxable income as reported on the federally prescribed application for federal student aid.</p> <p>(b) For the dependent student family income means parental income.</p>	<p>Acknowledges the practice of accepting student budgets that are constructed by the schools based on guidelines from the board.</p> <p>Updates an RCW reference based on the re-codification of student aid programs.</p>
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(c) For the independent student family income means the income of the student and any other adult, if any, reported as part of the student's family.

(d) The institutional aid administrator may adjust the family's income up or down to more accurately reflect the family's financial situation during the academic year. When such adjustments are made they shall be consistent with guidelines for making changes to determine federal student aid eligibility.

(12) "Income cutoff" means the amount of family income below which a student is determined to be eligible for the state need grant.

(a) The cutoff shall be expressed as a percent of the state's median family income. The exact point of cutoff shall be determined each year by the board based on available funding.

(b) The board will endeavor to award students, in order, from the lowest income to the highest income, within the limits of available funding.

(c) At the discretion of the institution's aid administrator, a student who is eligible for a state need grant in a given academic year may be deemed eligible for the ensuing academic year if his or her family income increases by no more than three percent, even if the stated median family income cutoff for grant eligibility is lower than that amount.

(13) "Median family income" is the median income for Washington state, adjusted by family size and reported annually in the federal register.

(14) "Base grant" is the state need grant award for each sector before the addition of a dependent care allowance. The base grant per student will be no less than the published base grant in 1998-1999. The base grant may be further adjusted according to the student's family income level and rate of enrollment as described in WAC [250-20-041](#).

For certain students who have completed board approved early awareness and preparation programs such as ~~the Washington National Early Intervention Scholarship Program, its successor program~~ [GEAR-UP](#), or a Trio program, the base grant will be an amount fixed annually by the board. Generally the base grant, in these cases, will be no less than the current value of the federal PELL grant program.

(15) "Dependent care allowance" is a flat grant amount, to be determined by the board, which is in addition to the eligible student's base grant.

(a) The allowance is awarded to those students who have dependents in need of care. The dependent must be someone (other than a spouse) living with the student.

(b) Care must be that assistance provided to the dependent by someone outside of the student's household and not paid by another agency.

(c) Eligible grant recipients must document their need for the dependent care allowance.

Updates the reference - Gear-Up is the successor of the old NEISP program.

(16) "State need grant award" is the base grant adjusted according to level of family income, plus a dependent care allowance, if applicable.

(17) "Academic year" is that period of time between July 1 and the following June 30 during which a full-time student would normally be expected to complete the equivalent of two semesters or three quarters of instruction.

(18) "Clock hours" means a period of time which is the equivalent of either:

(a) A 50 to 60 minute class, lecture, or recitation, or

(b) A 50 to 60 minute period of faculty-supervised laboratory shop training or internship.

(19) "Gift equity packaging policy" is the institution's policy for assigning gift aid to needy, eligible students.

(20) "Satisfactory progress" is the student's successful completion of a minimum number of credit or clock hours for each term in which the grant was received. Each school's policy for measuring progress of state need grant recipients must define satisfactory as the student's completion of the minimum number of credit or clock hours for which the aid was disbursed.

(a) The minimum satisfactory progress standard for full-time students is twelve credits per term or 300 clock hours per term. Satisfactory progress for three-quarter time students is nine credits per term or 225 clock hours per term. Satisfactory progress for half-time students is six credits per term or 150 clock hours per term.

(b) Each school's policy must deny further disbursements of the need grant at the conclusion of any term in which he or she fails to complete at least one-half of the minimum number of credits or clock hours for which the aid was disbursed or otherwise fails to fulfill the conditions of the institution's satisfactory progress policy.

(c) The school may make disbursements to a student who is in a probationary status. "Probation" is defined as completion of at least one-half, but less than all of the minimum number of credits for which the aid was calculated and disbursed. The school must have a probation policy, approved by the board, which limits the number of terms in which a student may receive the need grant while in a probationary status.

(d) The school's aid administrator may at any time, using professional judgment exercised on a case-by-case basis, reinstate a student back into a satisfactory progress status, in response to an individual student's extenuating circumstances.

(21) The term "full institutional accreditation" shall mean the status of public recognition that an accrediting agency recognized by the U.S. Department of Education grants to an educational institution that meets the agency's established standards and requirements. Institutional accreditation applies to the entire institution, indicating that each of an institution's parts is contributing to the achievement of the institution's objectives.

<p>(22) The term "eligible program" for a public or private nonprofit educational institution, shall mean an associate or baccalaureate degree program; at least a two-year program that is acceptable for full credit toward a bachelor's degree, or at least a one-year educational program that leads to a degree or certificate and prepares the student for gainful employment in a recognized occupation. The term "eligible program" for a for-profit or a postsecondary vocational institution shall mean a program which provides at least a 15-week undergraduate program of 600 clock hours, 16 semester hours, or 24 quarter hours. The program may admit students without an associate degree or equivalent. The term "eligible program" for a for-profit or a postsecondary vocational institution may also be a program that provides at least a 10-week program of 300 clock hours, 8 semester hours, or 12 quarter hours. A program in this category must be an undergraduate program that admits only students with an associate degree or equivalent. To be an "eligible program," a program must be encompassed within the institution's accreditation and be an eligible program for purposes of the federal Title IV student financial aid programs.</p>	<p>Eliminates a reference that was previously copied from federal guidelines in about 1996. Subsequent interpretation of that guideline makes it clear that this is intended to describe graduate programs which by definition are ineligible for SNG participation.</p>
<p>(23) The three "public sectors of higher education" are the research universities, comprehensive <u>colleges and</u> universities, and the community and technical colleges.</p>	<p>Mirrors the RCW.</p>
<p>(24) A "for-profit institution" is a postsecondary educational institution other than a public or private nonprofit institution which provides training for gainful employment in a recognized profession.</p>	
<p>(25) A "postsecondary vocational institution" is a public or private nonprofit institution which provides training for gainful employment in a recognized profession.</p>	
<p><u>(26) The "less than halftime pilot project" is defined as follows</u></p>	<p>Provides a definition of the less-than-halftime pilot project and specifies those programmatic elements that are different than the regular SNG program:</p>
<p><u>(a) The pilot project is authorized for 2005-2007 in chapter 299, session laws of 2005 and is meant to test the feasibility of providing state need grant awards to students who enroll in four or five credits.</u></p>	<p>Formatted: Not Highlight</p>
<p><u>(b) The Board shall select up to ten schools to participate in the pilot project.</u></p>	<p>Formatted: Not Highlight</p>
<p><u>(c) All rules and guidelines that govern student and school participation in the state need grant program shall apply to pilot project except the following:</u></p>	<p>They are:</p>
<p><u>(i) The student may enroll for four or five credits per term.</u></p>	<p>1. 4 or 5 credit enrollment</p>
<p><u>(ii) The grant award is equal to one-quarter of the regular base grant amount.</u></p>	<p>2. grant value equal to ¼ of the fulltime award</p>
<p><u>(iii) Students otherwise enrolled in credit bearing coursework may receive the grant for up to one academic year before being accepted into a program that leads to a degree or certificate.</u></p>	<p>3. Student has up to one-year to be accepted in a degree granting program.</p>
<p>Formatted: Heading 3</p>	
<p><u>(27) The term "former foster youth" means a person who is at least eighteen years of age, but not more than twenty-four years of age, who was a dependent of the department of social and health services at the</u></p>	<p>Provides a definition of former foster care youth that mirrors the statute.</p>
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<p><u>time he or she attained the age of eighteen.</u></p> <p>WAC 250-20-041</p> <p>Award procedure.</p> <p>(1) The institution will offer grants to eligible students from funds reserved by the board. It is the institution's responsibility to ensure that the reserve is not over expended within each academic year.</p> <p>(2) The state need grant award for an individual student shall be the base grant, appropriate for the sector attended and a dependent care allowance, if applicable, adjusted for the student's family income and rate of enrollment. Each eligible student receiving a grant must receive the maximum grant award for which he or she is eligible, unless such award should exceed the student's overall need or the institution's approved gift equity packaging policy.</p> <p>(3) The grant amount for students shall be established as follows:</p> <p>(a) The award shall be based on the representative average tuition, service, and activity fees charged within each public sector of higher education. The average is to be determined annually by the higher education coordinating board. <u>The award for students enrolled in the applied baccalaureate pilot program authorized in RCW 28B.50.810 shall be based on the representative tuition and fees used for the comprehensive universities.</u></p> <p>(b) Except for the 2003-04 and 2004-05 academic years, the base grant award shall not exceed the actual tuition and fees charged to the eligible student. During the 2003-04 and 2004-05 years the grant award may exceed the tuition charged to the eligible student by fifty dollars.</p> <p>(c) The base grant award for students attending independent four-year institutions shall be equal to that authorized for students attending the public four-year research institutions. The base grant for students attending private vocational institutions shall be equal to that authorized for students attending the public community and technical colleges.</p> <p>(4) The total state need grant award shall be reduced for students with family incomes greater than fifty percent of the state's median and for less than full-time enrollment.</p> <p>(a) Students whose incomes are equal to fifty-one percent to seventy-five percent of the state's median family income shall receive seventy-five percent of the maximum award. Students whose incomes are equal to seventy-six percent to one hundred percent of the state's median family income shall receive fifty percent of the maximum award. Students whose incomes are equal to one hundred one percent to one hundred twenty-five percent of the state's median family income shall receive twenty-five percent of the maximum award.</p> <p>(b) Eligible students shall receive a prorated portion of their state need grant for any academic period in which they are enrolled at least half-time, as long as funds are available. Students enrolled at a three-quarter time rate, at the time of disbursement, will receive seventy-five percent of their grant. Students enrolled half-time at the time of disbursement will receive fifty percent of their grant.</p>	<p>Permits students enrolled in the applied BA degree pilot program to receive grants equal to those received by students at the public comprehensive schools. Applied BA degree students will be charged tuition equal to that charged to comprehensive universities.</p>
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<p>(5) Depending on the availability of funds, students may receive the need grant for summer session attendance.</p> <p>(6) The institution will be expected, insofar as possible, to match the state need grant with other funds sufficient to meet the student's need. <u>Matching moneys may consist of student financial aid funds and/or student self-help.</u></p> <p>(7) All financial resources available to a state need grant recipient, when combined, may not exceed the amount computed as necessary for the student to attend a postsecondary institution. The student will not be considered overawarded if he or she receives additional funds after the institution awards aid, and the total resources exceed his or her financial need by \$200 or less by the end of the academic year.</p> <p>(8) The institution shall ensure that the recipient's need grant award, in combination with grant aid from all sources, not exceed seventy-five percent of the student's cost-of-attendance. In counting self-help sources of aid, the aid administrator shall include all loans, employment, work-study, scholarships, grants not based on need, family contribution, and unmet need.</p> <p>(9) The institution will notify the student of receipt of the state need grant.</p> <p>(10) Any student who has received at least one disbursement and chooses to transfer to another participating institution within the same academic year may <u>request that the receiving institution</u> apply to the board for funds to continue receipt of the grant <u>at the receiving institution.</u></p> <p><u>(11) A separate limited reserve is set aside for disadvantaged students and former foster youth.</u></p>	<p>Eliminates an unnecessary and somewhat contradictory reference.</p> <p>Clarifies that it is the school that requests monies from the transfer fund, not the student.</p> <p>By setting aside a reserve of funds for former foster youth the board can assure the eligible student that the grant will be available.</p>
<p>WAC 250-20-071</p> <p>Appeal process.</p> <p>Should a student question his or her state need grant eligibility or award, the following procedures should be followed:</p> <p>(1) The student should direct questions and appeals to the financial aid officer at the institution he or she attends.</p> <p>(2) If the student is not satisfied with the response of the institution, he or she should assemble all relevant academic, financial, and personal data and forward it to the higher education coordinating board for review.</p> <p>(3) The board's division of student financial aid will review all material submitted and, if possible, will resolve the problem, advising the student of his or her eligibility and generating an award or, if the student is not eligible for a state need grant, advising the student of the reason for denial.</p>	

<p>(4) The higher education coordinating board will convene its review committee to consider the situation of any student whose state need grant eligibility is questionable, or upon the request of the student. If the committee finds the student eligible for state need grant receipt, it will advise the financial aid administrator at the institution the student attends and will recommend to the school that the student's state need grant award be processed immediately. If the review committee finds the student not eligible for state need grant receipt, it will advise the student of the reason for denial.</p> <p>(5) If the student is not satisfied with the resolve by the review committee, the student's final recourse is submission of his or her case to the executive director of the higher education coordinating board.</p>	<p>Clarifies the appeals process.</p>
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State Work Study

250-40-040**Student eligibility and selection.**

(1) Eligibility criteria. In order to be eligible for employment under this program the student must:

(a) Demonstrate financial need.

(b) Be enrolled or accepted for enrollment as at least a half-time undergraduate, graduate or professional student or be a student under an established program designed to qualify him or her for enrollment as at least a half-time student at an eligible institution of postsecondary education.

(c) Be capable, in the opinion of the institution, of maintaining good standing in a course of study while employed under the program, and demonstrate satisfactory progress toward degree or certificate completion.

(d) Not be pursuing a degree in theology.

(e) Not owe a refund or repayment on a state or federal financial aid grant program and not be in default on a loan made, insured, or guaranteed under federal and state financial aid loan programs.

(2) Criteria for institutional determination of financial need and the making of awards.

(a) Standard budgetary costs will be determined by the institution subject to approval by the higher education coordinating board.

(b) Total applicant resources shall be determined in accordance with the federal methodology system of need analysis. Institutional financial aid officers may make reasonable adjustments to the computed total applicant resources if individual circumstances warrant such adjustments.

Any adjustments must be documented and placed in the student's financial aid records.

(c) The work-study award shall be designed in such a manner that the sum total of financial aid awarded any one student will not exceed the difference between the total applicant's resources and the budgetary cost of education.

(d) Each institution must have a policy relating to the continuance of aid for students who enroll in but do not complete the number of credit or clock hours required to maintain satisfactory progress toward completion of his or her degree or program objective. The institution must submit its policy to the board annually for approval.

(3) Priorities in placing students.

(a) Provide work opportunities for students who are defined to be residents of the state; particularly former foster youth as defined in RCW 28B.92.060. Residents of the state are defined in RCW

Makes former foster youth a priority for SWS funding.

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<p><u>28B.15.012 and 28B.15.013 except resident students defined in RCW 28B.15.012(2)(g).</u></p> <p>(b) After consideration of (a) of this subsection, then provide job placements in fields related to each student's academic or vocational pursuits, with an emphasis on off-campus job placements wherever appropriate; and</p> <p>(c) Whenever appropriate, provide opportunities for off-campus community service placements.</p> <p>(4) Job placements are encouraged in occupations that meet Washington's economic development goals especially those in international trade and international relations.</p> <p>[Statutory Authority: RCW 28B.12.020 through 28B.12.070. 94-14-006 § 250-40-040, filed 6/23/94, effective 7/24/94; 93-20-044, § 250-40-040, filed 9/29/93, effective 10/30/93. Statutory Authority: RCW 28B.12.060. 88-10-002 (Order 3/88, Resolution No. 88-11), § 250-40-040, filed 4/21/88; 87-16-047 (Order 1-87, Resolution No. 87-59), § 250-40-040, filed 7/29/87. Statutory Authority: RCW 28B.10.806. 81-13-037 (Order 3/81, Resolution No. 81-68), § 250-40-040, filed 6/16/81; 80-05-024 (Order 2-80, Resolution No. 80-54), § 250-40-040, filed 4/14/80; Order 5-77, § 250-40-040, filed 5/11/77; Order 6-74, § 250-40-040, filed 9/17/74.]</p>	<p>Incorporates the definition of resident from the SWS statute.</p>
<p>250-40-050 Restrictions on student placement and compensation.</p> <p>(1) Displacement of employees. Employment of state work-study students may not result in displacement of employed workers or impair existing contracts for services.</p> <p>(a) State work-study students employed by public institutions of postsecondary education may not fill positions currently or formerly occupied by classified employees.</p> <p>(b) In cases of governmental employment, state work-study students may fill positions which have been previously occupied but were vacated as a result of implementing previously adopted reduction in force policies in response to employment limitations imposed by federal, state or local governments.</p> <p>(c) In all other cases, state work-study students may not fill positions which have been occupied by regular employees during the current or prior calendar or fiscal year.</p> <p>(2) Rate of compensation. All work-study positions shall receive compensation equal to the entry level salary of comparable nonwork-study positions.</p> <p>Students employed by public postsecondary educational institutions who are filling positions which are comparable to Washington personnel resources board classified positions must be paid entry level Washington personnel resources board wages for the position unless the overall scope and responsibilities of the position indicate a higher level.</p>	

Determination of comparability must be made in accordance with state work-study program operational guidelines.

Documentation must be on file at the institution for each position filled by a state work-study student which is deemed by the institution as not comparable to a higher education personnel board position.

(3) Maximum total state work study compensation. Earnings beyond the student's state work-study eligibility must be reported to the financial aid officer, and resulting adjustments made in the financial aid package in accordance with federal methodology. In the event that a student earns more money from state work-study employment than the institution anticipated when it awarded student financial aid, the excess is to be treated in accordance with the method specified in the state work-study operational guidelines.

(4) State share of student compensation. With the exception of board-approved off campus community service placements, the state share of compensation paid students shall not exceed 80 percent of the student's gross compensation. In the following cases the state share may be established at 80 percent: (a) When employed by state supported institutions of postsecondary education at which they are enrolled; (b) when employed as tutors by the state's common school districts; (c) when employed in tutorial or other support staff positions by nonprofit adult literacy service providers in the state of Washington who meet guideline criteria for participation; and (d) when employed in an off-campus community service placement. The state share of compensation paid students employed by all other employers shall not exceed 65 percent of the student's gross compensation.

(5) Employer share of student compensation. The employer shall pay a minimum of 20 percent or 35 percent of the student's gross compensation as specified in subsection (4) above, plus the costs of any employee benefits including all payments due as an employer's contribution under the state workman's compensation laws, federal Social Security laws, and other applicable laws. The federal work-study program cannot be used to provide employer share of student compensation except when used for placement of students in tutorial or other support staff positions with adult literacy service providers in the state of Washington who meet guideline criteria for participation.

(6) Academic credit for state work-study employment. Students may receive academic credit for experience gained through state work-study employment.

(7) Maximum hours reimbursed. Employment of a student in excess of an average of 19 hours per week, or in the case of on-campus graduate assistants an average of 20 hours per week, over the period of enrollment for which the student has received an award or a maximum of 40 hours per week during vacation periods will not be eligible for reimbursement from state funds.

A student may not be concurrently employed in the same position by the state work-study program and the federal work-study program and exceed the 19 hours per week average.

Clarifies the term "compensation".

<p>(8) Types of work prohibited. Work performed by a student under the state work-study program shall not be sectarian related and shall not involve any partisan or nonpartisan political activity.</p> <p>(9) Relationship to formula staffing percentage. Placement of state work-study students in on-campus positions at public postsecondary educational institutions may not result in a level of employment in any budget program in excess of a formula staffing percentage specifically mandated by the legislature.</p> <p>[Statutory Authority: RCW 28B.12.020 through 28B.12.070. 94-14-006 § 250-40-050, filed 6/23/94, effective 7/24/94; 93-20-044, § 250-40-050, filed 9/29/93, effective 10/30/93. Statutory Authority: RCW 28B.12.060. 88-10-002 (Order 3/88, Resolution No. 88-11), § 250-40-050, filed 4/21/88; 87-16-047 (Order 1-87, Resolution No. 87-59), § 250-40-050, filed 7/29/87; 86-10-014 (Order 4/86), § 250-40-050, filed 4/30/86; 82-15-054 (Order 5-82, Resolution No. 82-53), § 250-40-050, filed 7/20/82. Statutory Authority: RCW 28B.10.806. 81-13-037 (Order 3/81, Resolution No. 81-68), § 250-40-050, filed 6/16/81; 80-05-024 (Order 2-80, Resolution No. 80-54), § 250-40-050, filed 4/14/80; 79-07-020 (Order 4-79, Resolution No. 79-33), § 250-40-050, filed 6/15/79; 78-08-007 (Order 3-78), § 250-40-050, filed 7/7/78; Order 5-77, § 250-40-050, filed 5/11/77; Order 6-75, § 250-40-050, filed 8/18/75; Order 6-74, § 250-40-050, filed 9/17/74.]</p>	
<p>250-40-060 Institutional application and allotment procedures.</p> <p>(1) Application. Institutions shall annually apply for and document campus need for student employment funds.</p> <p>(2) Institutional reserve of funds. The board shall annually develop a reserve of funds for the body of students at each eligible participating institution. Institutions will be notified of funds available for their students by May 1 of the year prior to the academic year in which awards will be given, or within a reasonable period after the legislative appropriation becomes known, whichever is later. The following steps shall govern the determination and allotment of institutional reserves:</p> <p>(a) A base funding level, or conditional guarantee, shall be adopted for each institution currently participating in the program. The initial allotment of funds to any one institution shall equal its conditional guarantee. The conditional guarantee will equal the amount of funds initially reserved to the institution for the 1992-93 fiscal year.</p> <p>(b) Eligible institutions currently not participating in the program shall be continually encouraged to enter the program, and will be funded at a reasonable level.</p> <p>(c) Each institution shall share proportionally in the event of budget reductions.</p> <p>(d) Institutions displaying a pattern of fund underutilization shall have their allocations reevaluated and reduced if appropriate.</p>	

<p>(e) Funding increases shall be distributed on an objective basis among institutions in a manner which, when combined with Federal Work Study allocations, furthers a parity of work opportunity among students statewide.</p> <p>(f) No institution will be awarded funds which, in the institution's judgment or judgment reasonably exercised by the board, will exceed what the institution can adequately administer.</p> <p>(3) The convening of an advisory committee. The board staff will convene its advisory committee annually in accordance with WAC <u>250-40-070(54)</u> to review program policies and procedures.</p> <p>(4) Reallotments. If it is determined that an institution is unable to award all of the funds allotted it, the board will reduce its allotment accordingly and will redistribute unutilized funds to other eligible institutions. Reallotments however, shall not increase or decrease an institution's conditional guarantee.</p>	<p>Corrects a statutory reference</p>
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Student Financial Assistance: Rule Changes

**HECB Meeting
March 30, 2006**



Overview

- State Need Grant and State Work Study: substantive and technical changes to rules
- Public hearing in late May
- Board to consider adoption at July 27 meeting



State Need Grant Program: Rule Changes (WAC 250-20)

- Pilot program for students attending less than half-time
- Pilot program for applied bachelor's degrees
- Funding priority for foster youth



Pilot Program for Students Attending Less than Half-time

- House Bill 1345 (2005 session)
- Permits minimum enrollment of 4 or 5 credits
- Makes award amount equal to one quarter of full-time grant
- Exempts students from being admitted to a degree program for up to one year



Pilot Program for Applied Bachelor's Degrees

- House Bill 1794 (2005 session)
 - o Authorizes four community/technical colleges to offer applied bachelor's degrees and charge comprehensive sector tuition rate
 - o Begins in fall 2006
- Proposed rule would permit State Need Grant award to equal grant at comprehensive universities



Applied Bachelor's Degrees (continued)

- Proposal permits two award amounts for community/technical college students
- For now, proposal applies only to the CTC sector
 - o Proposed rule is based on a limited pilot program
 - o Pilot program may or may not become a permanent feature of CTC system
 - o Students in applied bachelor's program are charged substantially higher tuition per credit than students in associate degree programs



Funding Priority for Former Foster Youth

- House Bill 1079 (2005 session)
- Assures that unexpended or recaptured grant funds are used for youth who previously participated in foster care program
- Essentially guarantees eligibility and funding for former foster care youth



State Work Study Program (WAC 250-40)

- Gives priority in funding to youth who previously participated in the state's foster care program



Financial Aid Updates

March 2006



Financial Aid Updates

- Outreach and training to schools
- Scholarship Coalition and scholarship clearinghouse
- HECB participation in *College Goal Sunday*
- Foster care endowed scholarship program
- Federal student aid update



Outreach and Training to Schools

- Staff have conducted several visits to schools with more to follow (3-4 per month)
- DigiPen to be admitted to the State Need Grant program



Scholarship Coalition and Scholarship Clearinghouse

- Coalition has secured grant funding
- Consultant to be hired by mid-April to finish feasibility study
- Study to be completed by mid-summer



College Goal Sunday

- Board is participating in effort to bring *College Goal Sunday* to Washington
- Program enhances financial aid awareness through statewide publicity campaign and events held the weekend after the Super Bowl
- Approximately 35 states will participate in 2007
- First event is scheduled for February 2007



Foster Care Endowed Scholarship Program

- House Bill 1079 (2005 session)
- Creates state-funded endowment requiring private sector match
 - o Advisory committee is responsible for fundraising
 - o HECB staff support fundraising effort
 - o First meeting in mid-March, fundraising begins in May
- Annual scholarships from accumulated interest
- Program may require additional rules later



Federal Student Aid Update

- Academic Competitiveness grants and Smart grants
 - o Unclear and problematic implementation
- Proposed 2007 federal budget
 - o President Bush proposes elimination of LEAP, GEAR UP and Perkins loan programs
 - o Senate provides funds to retain programs
 - o House deliberates this week
- Reauthorization is delayed until June 2006 or later

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